

# Sponsoring Organization of Day Care Homes

A sponsoring organization of day care homes is one type of Institution that may enter into an agreement with SDE. A sponsoring organization of day care homes is a public or nonprofit private organization that is entirely responsible for the administration of CACFP in one or more day care homes. A sponsoring organization of day care homes may also participate in the CACFP as a sponsoring organization of centers.

This manual section provides the following guidance for sponsoring organization of day care homes:

1. Eligible Organizations and Participants
2. Application Requirements
3. Program Agreement
4. Training Requirements for Organization Employees
5. Record Maintenance Requirements
6. Monitoring Requirements
7. Serious Deficiency Process
8. Administrative Review Procedures (appeal process)
9. Termination for Convenience Procedure
10. Day Care Home Provisions

## Eligible Organizations and Participants

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Organizations must be public, or have tax exempt status under the Internal Revenue Code of 1986. A for-profit organization shall be eligible to serve as a sponsoring organization for for-profit centers which have the same legal identity as the organization, but shall not be eligible to sponsor for-profit centers which are legally distinct (unaffiliated) from the organization, day care homes, or public or private nonprofit centers.

### ELIGIBLE PARTICIPANTS

CACFP serves the following participants enrolled in non-residential day care programs:

1. Children age 12 years or under;
2. Children of migrant workers age 15 or under; and
3. Participants of any age who have one or more disabilities, as determined by the State of Idaho, and when the majority of enrollees in the facility are age 18 or under.

## Application Requirements

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New or renewing sponsoring organization must submit to SDE a complete application packet in MyIdahoCNP with all information required for its approval, and the approval of the facilities under its jurisdiction, as set forth in 7 CFR 226.6(b) and 226.6(f). The information must demonstrate that a new organization has the administrative and financial capability to operate CACFP in accordance with 7 CFR 226.15, 226.16, and with the performance standards set forth in 7 CFR 226.6(b) (1) (xviii), and that a renewing organization has the administrative and financial capability to operate CACFP in accordance 7 CFR 226.15, 226.16, and with the performance standards set forth in 7 CFR 226.6(b) (2) (vii). These requirements are also included in the Application Process and Annual Updates section of this manual.

The following items must be provided to SDE when a sponsoring organization is new and when updated by the organization. Each must be either attached to the application packet in MyIdahoCNP under the checklist or certified in the application packet.

### MANAGEMENT PLAN AND ADMINISTRATIVE BUDGET

A sponsoring organization management plan and administrative budget must include information sufficient to document the sponsoring organization's compliance with the performance standards set forth at 7 CFR 226.6(b) (1) (xviii) and 226.6(b) (2) (vii). See the Financial Audits and Budget Requirements section of this manual for more information on budget and reporting requirements.

### MONITORING STAFF RATIOS

A sponsoring organization of day care homes must document that, to perform monitoring, it will employ the equivalent of one full-time staff person for each 50 to 150 day care homes it sponsors.

SDE determines the appropriate level of staffing for monitoring for each sponsoring organization shall be consistent with the above specified ranges and factors. SDE requires sponsoring organizations to complete and submit a Monitoring Staff Ratio form to determine that the appropriate level of monitoring staff is provided by each organization. The monitoring staff equivalent includes the employee's time spent on scheduling, travel time, review time, follow-up activity, report writing, and activities related to the annual updating of children's enrollment forms.

If the organization sponsors both homes and centers and meets either the 50 homes or 25

centers thresholds, SDE will utilize the staffing standard for the most common type of facility operated by that sponsor.

## **MONITORING PROCEDURES**

Each sponsoring organization must provide the organization's most current monitoring procedures to SDE in the MyIdahoCNP application packet attached to the checklist. The monitoring procedures must include a procedure to conduct pre-approval visits to all new facilities prior to claiming meals for reimbursement and submitting their provider application for approval in MyIdahoCNP. The pre-approval visits are conducted to discuss CACFP benefits and verify that the proposed food service does not exceed the capability of the day care home (facility).

## **ADMINISTRATIVE FUNDS FOR LICENSE ASSISTANCE TO FACILITIES**

Day care homes which cannot obtain their license because they lack the funding to comply with licensing standards may request a total limit per home of \$300 in administrative funds from a sponsoring organization to assist them in obtaining their license. Day care homes that, at the option of their sponsoring organization, receive administrative funds for licensing-related expenses must complete the following documentation per 7 CFR 226.16(k) prior to receiving any funds. Before sponsoring organizations expend administrative funds to assist day care homes in becoming licensed, they shall obtain the following information from each such home:

1. A completed income eligibility form that documents the provider meets CACFP's income standards;
2. Evidence of its application for licensing and official documentation of the defects that are impeding its licensing approval; and
3. A completed CACFP facility application.

License funding requests are limited to \$300 per home and are only available to each home once.

## **PROVIDER APPLICATION**

A complete new or renewing provider application must be submitted for approval in MyIdahoCNP for each day care home including all necessary licensing information. The provider application must include all eligibility information for the provider and participants. Each day care home provider's contact information must be provided in the application. This includes the name of the provider, their mailing address, and date of birth. Sponsoring organizations must immediately notify SDE in writing if any homes are terminating for convenience. The termination for convenience procedures are provided in this manual section.

## **PROVIDER TIERING DETERMINATION**

Each sponsoring organization of day care homes shall determine which of the day care homes under its sponsorship are eligible as tier I or tier II. The sponsoring organization of day care homes may use either school or census data for area eligibility determinations in the CACFP or current income eligibility forms collected from day care home providers in making a determination for each day care home. Sponsoring organizations in the CACFP no longer have to first make a reasonable effort to establish area eligibility with school data prior to using census data [7 CFR 226.15(f)]. The provider's eligibility status and method of determination is reported to SDE in the provider application.

## **LICENSE**

Each day care home license must be attached in the application packet checklist in MyIdahoCNP before the packet may be submitted for approval.

## **PARENT NOTIFICATION LETTER**

A copy of the sponsoring organization's parent notification letter, in a form and language easily understandable by the participant's parents or guardians, must be submitted in MyIdahoCNP application packet if the organization chooses to use a different letter than provided by SDE. The notice must inform parents of their facility's participation in CACFP, CACFP's benefits, the name and telephone number of the sponsoring organization, and the name and telephone number of the SDE CACFP office.

## **TERMINATION FOR CAUSE (SERIOUS DEFICIENCY PROCESS) AND ADMINISTRATIVE REVIEW PROCEDURES**

SDE has determined the sponsoring organization is responsible for the administrative review of a proposed termination of a day care home's agreement for cause, pursuant to 7 CFR 226.6(l)(1), therefore a copy of the sponsoring organization's administrative review procedures and serious deficiency process must be provided to SDE. The sponsoring organization's supplemental serious deficiency and administrative review procedures must comply with the procedures provided in this section and 7 CFR 226.6(l);

## **OUTSIDE EMPLOYMENT POLICY**

A copy of the sponsoring organization's outside employment policy. The policy must restrict other employment by employees that interferes with an employee's performance of CACFP related duties and responsibilities, including outside employment that constitutes a real or apparent conflict of interest.

## **ADMINISTRATIVE, FINANCIAL AND MONITORING RESPONSIBILITY**

Each sponsoring organization shall accept final administrative and financial responsibility for CACFP food service operations in all day care homes under its jurisdiction. Sponsoring organizations may not contract out for the management of CACFP. In addition, sponsoring organizations shall provide adequate supervisory and operational personnel for the effective management and monitoring of the CACFP at all facilities it sponsors.

## **SPONSORING ORGANIZATION PLANS TO TRAIN ALL KEY STAFF AND FACILITIES**

Sponsoring organizations must provide training on CACFP duties and responsibilities to key staff from all sponsored facilities prior to the beginning of CACFP operations and at least annually thereafter. At a minimum, such training must include instruction, appropriate to the level of staff experience and duties, on CACFP's meal patterns, meal counts, claims submission and review procedures, recordkeeping requirements, and reimbursement system. Attendance by key staff is mandatory. Sponsoring organizations must also provide training to providers at new facilities before claiming meals at those homes. See the training section under Day Care Homes Provisions below for more information. The organization's training plans must be attached to the checklist in MyIdahoCNP application packet.

# Program Agreement

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Each organization shall enter into a single permanent agreement with SDE in accordance with 7 CFR 226.6(b) (4). The agreement must be maintained by both SDE and the organization for the entire time the organization operates the CACFP under SDE and for three years thereafter. For the full definition of the program agreement and required information in the agreement, please refer to the Acronyms and Definitions section of this manual.

SDE requires a sponsoring organization to enter into written permanent agreements for the administration of CACFP with their day care homes. The agreement must be maintained by both the organization and the facility for the entire time the facility operates the CACFP under the organization and for three years thereafter.

The agreement must specify the rights and responsibilities of both parties. Nothing in the preceding sentence shall be construed to limit the ability of the sponsoring organization to suspend or terminate the permanent agreement in accordance with 7 CFR 226.16(l).

## **SPONSORING ORGANIZATION AGREEMENTS WITH DAY CARE HOMES**

SDE developed a written permanent agreement in English and Spanish that the sponsoring organization may use or, if requested by the organization, they may develop a written permanent agreement that must be approved by SDE before implementing. At a minimum, the agreement shall embody:

1. The right of the sponsoring organization, SDE, USDA, and other State and Federal officials to make announced or unannounced reviews of the day care home's operations and to have access to its meal service and records during normal hours of operation.
2. The responsibility of the sponsoring organization to require key staff, as defined by SDE, to receive CACFP training prior to the day care home's participation in CACFP, and at least annually thereafter, on content areas established by SDE, and the responsibility of the day care home to participate in that training;
3. The responsibility of the day care home to prepare and serve meals which meet the meal patterns specified in 7 CFR 226.20;
4. The responsibility of the day care home to maintain records of menus, and of the number of meals, by type, served to enrolled children;
5. The responsibility of the day care home to promptly inform the sponsoring organization about any change in the number of children enrolled for care or in its licensing or approval status;

6. The meal types approved for reimbursement to the day care home by SDE;
7. The right of the day care home to receive in a timely manner the full meal reimbursement rate for each meal served to enrolled children for which the sponsoring organization has received payment from SDE. The sponsoring organization must not withhold CACFP payments to any family day care home for any other reason, except any amounts that the sponsoring organization has reason to believe are invalid, due to the provider having submitted a false or erroneous meal count;
8. The right of the sponsoring organization or the day care home to terminate the agreement for cause or, subject to stipulations by SDE, convenience;
9. A prohibition of any sponsoring organization fee charged to the day care home for its CACFP administrative services;
10. If SDE has approved a time limit for submission of meal records by day care homes, that time limit shall be stated in the agreement;
11. The responsibility of the sponsoring organization to inform tier II day care homes of all of their options for receiving reimbursement for meals served to enrolled children. These options include: electing to have the sponsoring organization attempt to identify all income eligible children enrolled in the day care home, through collection of income eligibility forms (IEF) and/or possession by the sponsoring organization or day care home of other proof of a child or household's participation in a categorically eligible program, and receiving tier I rates of reimbursement for the meals served to identified income eligible children; electing to have the sponsoring organization identify only those children for whom the sponsoring organization or day care home possess documentation of the child or household's participation in a categorically eligible program, under the expanded categorical eligibility provision contained in 7 CFR 226.23(e)(1), and receiving tier I rates of reimbursement for the meals served to these children; or receiving tier II rates of reimbursement for all meals served to enrolled children;
12. The responsibility of the sponsoring organization, upon the request of a tier II day care home, to collect IEFs and determine the eligibility of enrolled children for it;
13. SDE's policy to restrict transfers of day care homes between sponsoring organizations;
14. The responsibility of the day care home to notify their sponsoring organization in advance whenever they are planning to be out of their home during the meal service period. The agreement must also state that, if this procedure is not followed and an unannounced review is conducted when the children are not present in the day care home, claims for meals that would have been served

during the unannounced review will be disallowed;

15. The day care home's opportunity to request an administrative review if a sponsoring organization issues a notice of proposed termination of the day care home's CACFP agreement, or if a sponsoring organization suspends participation due to health and safety concerns, in accordance with 7 CFR 226.6(1)(2); and
16. If so instructed by its sponsoring organization, the day care home's responsibility to distribute a copy of the sponsoring organization's notice to parents.



## Training Requirements for Organization Employees

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The SDE provides training and technical assistance to new and renewing sponsoring organization key staff. In turn, sponsoring organizations must provide CACFP training and require their staff who did not attend SDE training, to attend their training prior to the organization's participation in CACFP, and annually thereafter. The training must be provided to all staff who is involved with CACFP operations and record keeping. The sponsoring organization is responsible for training their monitoring staff on monitoring requirements and their monitoring procedures. The monitoring training must be documented in the sponsoring organization's staff training in addition to the SDE training requirements and recommendations listed below in the Day Care Homes Provisions. Sponsoring organizations must follow the same documentation requirements as day care homes.

Sponsoring organizations are required to train all new staff in the organization on CACFP and Civil Rights requirements soon after they are hired and before they take responsibility for their CACFP duties. To provide adequate back-up, more than one staff person should be thoroughly trained in each CACFP function.

Key staff required to complete SDE new sponsoring organization training are:

- Executive Director: and
- Program contact if different from executive director;
- If applicable, the financial or business manager

### SDE ANNUAL CACFP MANDATORY TRAINING

Each year the program contact is required to attend the SDE CACFP training and additional key staff may be requested by SDE to attend as well. Mandatory annual training occurs in August of each year and may be a combination of online and in person training. SDE will notify organizations each year of the dates and places of the annual training(s) and provide registration information. Annual training highlights changes in policy and procedures, provides program updates, and focuses training on review findings from the current fiscal year.

For information on current SDE CACFP trainings available, please contact the Idaho State Department of Education, Child Nutrition Programs, at (208) 332-6821 or check the CNP website for information about current trainings available.

## Record Maintenance Requirements

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Each sponsoring organization shall establish procedures to collect and maintain all CACFP records required in order to comply with the recordkeeping requirements established in 7 CFR 226.10(d) and 226.15(e), as well as any records required by SDE in order to justify the administrative payments made in accordance with 7 CFR 226.12(a). Failure to maintain such records shall be grounds for the denial of reimbursement for meals served during the period covered by the records in question and for the denial of reimbursement for costs associated with such records. Sponsoring organizations must maintain records for three years plus the current program year. SDE allows sponsoring organizations to maintain records either in hard copy or electronically. The records must be legible and available to SDE during CACFP reviews. At a minimum, the following records shall be collected and maintained:

1. The sponsor application packet and supporting documents in MyIdahoCNP, SDE's online application and claiming system. Sponsors may maintain the completed application forms in the system and are not required to print and maintain as hard copy records;
2. Documentation of the enrollment of each child at day care homes; information used to determine the eligibility of enrolled providers' children for free or reduced price meals; information used to classify day care homes as tier I day care homes, including official source documentation obtained from school officials when the classification is based on school data; and information used to determine the eligibility of enrolled children in tier II day care homes that have been identified as eligible for free or reduced price meals in accordance with 7 CFR 226.23(e)(1). Such documentation of enrollment must be updated annually, signed by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care.
3. Daily records indicating the number of participants in attendance and the daily meal counts, by type (breakfast, lunch, supper, and snacks), served to family day care home participants. SDE may require family day care homes to record meal counts at the time of meal service only in day care homes providing care for more than 12 children in a single day, or in day care homes that have been found seriously deficient due to problems with their meal counts and claims.
4. Copies of invoices, receipts, or other records required by SDE financial management instruction to document:
  - a) Administrative costs claimed by the sponsoring organization; and
  - b) Income to CACFP;
5. Copies of all claims for reimbursement submitted to SDE;

6. Receipts for all CACFP payments received from SDE;
7. For sponsoring organizations of day care homes, information concerning the dates and amounts of disbursement to each day care home;
8. Copies of menus and menu records required by SDE as provided in the Menu Planning and Menu Record Requirement section of this manual;
9. Each CACFP monitoring review conducted by SDE with technical assistance, findings and the corrective action prescribed and completed. Information concerning the location and dates of each day care home monitoring review, any problems noted, and the corrective action prescribed and effected;
10. Information on training session date(s) and location(s), as well as topics presented and names of participants;
11. Documentation of nonprofit food service to ensure that all CACFP reimbursement funds are used:
  - a) Solely for the conduct of the food service operation; or
  - b) To improve such food service operations, principally for the benefit of the enrolled participants.
12. For sponsoring organizations, records documenting the attendance at annual training of each staff member with monitoring responsibilities. Training must include instruction, appropriate to the level of staff experience and duties, on CACFP's meal patterns, meal counts, claims submission and claim review procedures, recordkeeping requirements, and an explanation of CACFP's reimbursement system.

## DAY CARE HOME TIERING

Each sponsoring organization of day care homes is required to maintain supporting documentation of the tiering status determined and reported for each of their sponsored day care homes. A sponsoring organization must use either current school or census data or current income eligibility forms collected from the day care home providers in making a determination for each day care home. The sponsoring organization must maintain a list of all day care home providers that includes the tiering status determined, method of determination, date the determination was effective and date the status expires. In addition, the sponsor must maintain the school area attendance or census maps or income eligibility forms as supporting records for the tiering determination.

### Use of Current School Data

A day care home is eligible for Tier I reimbursement if the home is located in the attendance area of an elementary, middle, or high school in which at least 50 percent of the enrolled

children are certified eligible for free or reduced-price school meals. When making tier I day care home determinations based on school data, a sponsoring organization shall use attendance area information that it has obtained, or verified with appropriate school officials to be current, within the last school year.

Area eligibility determinations must be based on the total number of children approved for free and reduced-price school meals from the most current March eligibility data. Visit the Child Nutrition Programs website at <https://apps.sde.idaho.gov/CnpEligibility/Report> to view the most current list of “Lunch Eligibility Data by District”. In situations where data from a more recent month in the school year is available and would establish area eligibility for an otherwise ineligible location, school data from that month may be used to establish area eligibility when validated by the SDE. For all day care homes where Tier I status is determined by school data, the sponsor must maintain a list of each provider with the school name, school free and reduced data, and effective dates of eligibility.

Area eligibility determinations are valid for five years. SDE will not routinely require redeterminations of area eligibility based on updated school data during the five year period.

***Community Eligibility Provision*** (CEP) allows schools and local education agencies with a high percentage of low-income children to offer free meals to all students. Area eligibility determination is based on data from schools electing CEP as part of a group of schools or a school district must still use the individual school data rather than district-wide data for CACFP At-risk afterschool centers and CACFP day care home tiering. These individual school data are obtained by multiplying the most current school level identified student percentage (ISP) by the 1.6 factor. If the result is equal to or greater than 50 percent, meal sites located in the attendance area of the school are area eligible. If a school electing CEP collects alternate household income information to be used for other purposes, school data based on these applications may not be used to determine area eligibility. If the “Lunch Eligibility Data by District” report includes CEP for the school(s) in the providers day care home attendance area, please contact SDE to receive the school(s) current eligibility data.

### Use of Census Data

CACFP day care homes that establish eligibility using census data are required to use the most recent census data available [7 CFR 226.6(f); 7 CFR 225.6(c). In 2005, the Census Bureau began to annually estimate household income using the American Community Survey (ACS). The ACS is an ongoing survey that provides annual estimates, based on sampling data, in order to give communities more current information than the decennial census is able to provide. Annually in October, FNS announces the release of this data to

SDE and in turn, SDE will send a broadcast email to all sponsoring organization of daycare homes when the new data is available. FNS offers two different tools to determine eligibility: the FNS Area Eligibility Mapper and a map developed by the Food Research and Action Center (FRAC). The FRAC map is constructed from the same data files and may also be used to determine eligibility.

### Geographic Areas Covered by Census Data

CACFP day care homes located in a Census Block Group (CBG) or Census Tract in which 50 percent or more of the children are eligible for free or reduced price school meals are considered area eligible for a period of 5 years.

In May 2014, FNS issued guidance providing CACFP day care homes flexibility to also use Census Tracts, geographical units that consist of one or more of the CBGs, to determine area eligibility [SP 49-2014, CACFP 13-2014, SFSP 19-2014, *Area Eligibility Using Census Data*, May 28, 2014]. Occasionally, a potential CACFP day care home is determined not to be area eligible, but is located immediately adjacent to an eligible area. This proximity suggests that the children residing in the area from which the home would most likely draw participants would have a likelihood of similar census demographics. In recognizing that likelihood and allowing additional flexibility in the use of census data to establish area eligibility, USDA can ensure area eligibility determinations accurately identify areas in which poor economic conditions exist.

Therefore, based on analysis of the proposed location, with both SDE and Regional Office USDA approval, up to three adjacent CBGs may be averaged, using a weighted average, to determine eligibility. In such a case, CACFP day care homes are considered area eligible if the percentage of children eligible for free or reduced-price meals in up to three adjacent CBGs when averaged is 50 percent or more, provided that at least 40 percent of children in each of the individual CBGs are eligible for free or reduced-price meals. Census Tracts may not be combined. Census Tract and CBG data is available through the FNS Area Eligibility Mapper, which is located at <https://www.fns.usda.gov/areaeligibility>.

If school or census data does not support a tier I classification, then the sponsoring organization shall reclassify homes in segments of such areas as tier II day care homes unless the individual providers can document tier I eligibility on the basis of their household income. Determinations of a day care home's eligibility as a tier I day care home shall be valid for one year if based on a provider's household income from a completed Income Eligibility Form. For more information on Income Eligibility forms please refer to the Income Eligibility Form section of this manual.

## **PAYMENT TO SPONSORING ORGANIZATION EMPLOYEES**

A sponsoring organization of family day care homes must not make payments to employees or contractors solely on the basis of the number of homes recruited. However, such employees or contractors may be paid or evaluated on the basis of recruitment activities accomplished. Documentation of employee salary/wages is documented in the organizations approved budget workbook annually.

## **CLAIM SUBMISSION**

Each sponsoring organization shall submit claims for reimbursement to SDE in accordance with 7 CFR 226.10. Please see the Claiming System and Required Records section of this manual for more information on SDE claim process and record keeping requirements.

## **DISBURSEMENT OF FUNDS TO FACILITIES**

Sponsoring organizations shall make payments of CACFP funds to day care homes within five working days of receipt from SDE, on the basis of the management plan approved by SDE. The sponsoring organization is required to maintain records of provider monthly payments, how the payment was distributed (check, direct deposit) and when the payment was issued. In addition, during SDE program reviews the SDE will review the organization bank statements to validate the payments.

## **SPECIAL MILK PROGRAM**

Organizations may not participate in both the Child and Adult Care Food Program and the Special Milk Program at the same time. This will be monitored and validated by the SDE through MyIdahoCNP application and claiming system.

## **ELDERLY FEEDING PROGRAMS**

Institutions which are school food authorities may use facilities, equipment and personnel supported by CACFP funds to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 (42 U.S.C.3001 et seq.). Any CACFP reimbursement claimed with these expenses must be documented in the organization's financial records and reports.

## **REGULATIONS AND GUIDANCE**

Each sponsoring organization must comply with all regulations issued by FNS and USDA, all instructions and handbooks issued by FNS and USDA to clarify or explain existing regulations, and all regulations, instructions and handbooks issued by SDE that are consistent with the CACFP regulations. All of these resources support the record keeping

requirements described in the CACFP manual sections.

### **INFORMATION ON WIC**

Each sponsoring organization facility (other than outside-school-hours care centers, At-risk afterschool care centers, emergency shelters, and adult day care centers) must ensure that parents of enrolled children are provided with current information on the benefits and importance of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the eligibility requirements for WIC participation. This may be accomplished by maintaining WIC brochures and/or poster in each facility in a location easily accessible by parents or legal guardians.

## Monitoring Requirements

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A sponsoring organization must review each facility to ensure each operates according to program standards and requirements; provide adequate supervisory and operational personnel to effectively monitor each facility; and conduct all required facility reviews according to program regulations 7CFR 226.16.

It is the responsibility of the sponsoring organization to provide sufficient training and technical assistance during the pre-approval and 4 week follow-up visits to assure successful participation for all facilities. The pre-approval visit must occur before CACFP operations begin. Technical assistance must be provided and documented during the early stages of CACFP participation.

Monitors are considered key staff in the sponsoring organization and must be trained when hired and annually thereafter. Sponsoring organizations must thoroughly train the sponsoring organization's monitors in CACFP and Civil Rights requirements and provide each monitor with the sponsoring organization's written monitoring procedures. The monitors are required to conduct regular visits at all facilities to determine compliance with meal patterns, record keeping, and other CACFP requirements. Monitoring reviews must assess whether the facility has corrected problems noted on the previous review(s), a reconciliation of the facility's meal counts with enrollment and attendance records for a five-day period, and an assessment of the facility's compliance with CACFP requirements pertaining to:

1. The meal pattern;
2. Licensing;
3. Attendance at training;
4. Meal counts;
5. Attendance records per participant;
6. Meal serving times and type of meal service;
7. Menu records;
8. Food safety and sanitation;
9. Infant meals and records if infants are in care;
10. Medical statements for food substitutions forms;
11. Civil rights compliance;
12. The annual updating and content of enrollment forms (if the facility is required to have enrollment forms on file, as specified in 7 CFR 226.15(e) (2) and 226.15(e) (3)).



## **FIVE DAY RECONCILIATION OF MEAL COUNTS**

Monitoring reviews must examine the meal counts recorded by the facility for five consecutive days during the current and/or prior claiming period month. For each day examined, monitors must use enrollment and attendance records (except in those outside-school-hours care centers, At-risk afterschool care centers, and emergency shelters where enrollment records are not required) to determine the number of participants in care during each meal service and attempt to reconcile those numbers to the numbers of breakfasts, lunches, suppers, and/or snacks recorded in the facility's meal count for that day. Based on that comparison, monitors must determine whether the meal counts were accurate. If there is a discrepancy between the number of participants enrolled or in attendance on the day of review and prior meal counting patterns, the monitor must attempt to reconcile the difference and determine whether the establishment of an over claim is necessary.

## **FREQUENCY AND TYPE OF REQUIRED FACILITY MONITORING REVIEWS**

Sponsoring organizations must review each facility three times each year, except when averaging is allowed. In addition:

1. At least two of the three reviews must be unannounced;
2. At least one unannounced review must include observation of a meal service;
3. At least one review must be made during each new facility's first four weeks of CACFP operations;
4. Not more than six months may elapse between reviews; and
5. Monitors must vary the timing of unannounced reviews so they are unpredictable.

## **AVERAGING OF REQUIRED REVIEWS**

If a sponsoring organization conducts one unannounced review of a facility in a year and finds no serious deficiencies (regardless of the type of facility), the sponsoring organization may choose not to conduct a third review of the facility that year, and may make its second review announced, provided that the sponsoring organization conducts an average of three reviews of all of its facilities that year, and that it conducts an average of two unannounced reviews of all of its facilities that year. When the sponsoring organization uses this averaging provision, and a specific facility receives two reviews in one review year, its first review in the next review year must occur no more than nine months after the previous review. A sponsoring organization must include in their monitoring procedures if they intend to use the averaging method when applicable.

## **SPONSORING ORGANIZATIONS' MONITORING REQUIREMENTS WHEN FACILITIES OPERATE LESS THAN 12 MONTHS OUT OF THE YEAR**

According to CACFP Memorandum #1-04; "Sponsor Monitoring Requirements in the Child and Adult Care Food Program (CACFP)", SDE in consultation with Western Regional Office (WRO) USDA may exercise judgment in determining the minimum review requirements for a given sponsoring organization and its facilities. Below is the Idaho SDE policy as of December 22, 2008.

1. Sponsored facilities that operate less than 12 months per year shall be reviewed, on site, according to the following schedule :
  - a) Facilities operating 0-4 months out of the year must be reviewed one (1) time.
  - b) Facilities operating 5-8 months out of the year must be reviewed two (2) times.
  - c) Facilities operating 9-12 months out of the year must be reviewed three (3) times.
2. If a serious deficiency is found at a facility the Organization must review the facility at a minimum of three times per year for three years after the serious deficiency determination.
3. If a serious deficiency is found in the Organization operations, all sponsored facilities must be reviewed a minimum of three times per year for three years after the serious deficiency determination.

## **FOLLOW-UP MONITORING REVIEWS**

Any non-compliance findings or the monitor detects one or more serious deficiencies during a facility monitoring review, the next review must be unannounced. A follow-up review must occur within 30 days of acceptable corrective action to ensure the facility corrected the finding(s) or serious deficiency(ies).

## **MONITORING DOCUMENTATION**

Sponsoring organizations must document all monitoring reviews by completing a Sponsoring Organizations of Homes Monitoring Form. The monitor must thoroughly document what was observed on site reviews and in required records. All questions and sections on the monitoring form must be completed. In this process, the monitor would be able to identify any problems and patterns of non-compliance, if occurring. The monitor must review the results of the monitoring review with the facility owner/director or provider. Both the monitor and facility owner/director or provider must sign the monitoring form prior to the monitor leaving the facility. Since SDE allows sponsoring organizations to maintain records electronically they may also collect electronic signatures when using a certification statement. The form is located in MyIdahoCNP under download forms. If the sponsoring

organization chooses, they may develop their own monitoring form and submit it to SDE for approval prior to implementing the form.

Monitoring reviews that include a meal observation, the monitor must remain onsite during the entire approved meal service time to monitor the entire meal service. This is to verify the start and end time of meals service are within the approved meal service times and all reimbursable meals observed are recorded accurately on the meal count records. The meal counts shall also be verified by the monitor when the facility submits their claim to the sponsoring organization to ensure the number of meals observed match the number of meals claimed by the facility.

The sponsoring organization must maintain a monitoring tracking log that reports:

1. Site name;
2. Date of site review;
3. Meal observed-what was assessed;
4. Findings observed;
5. Corrective actions required;
6. Dates corrective action was due and received;
7. Any training or technical assistance that was provided;
8. Follow up action(s) or date of follow-up review, if any; and
9. Date findings are corrected.

In addition, the sponsoring organization must also maintain a serious deficiency tracking log that reports:

1. Site name;
2. Date of serious deficiency;
3. Description of serious deficiency;
4. Date serious deficiency letter sent to SDE;
5. Dates Corrective Action Plan (CAP) due and received;
6. Date of follow up visit;
7. Date serious deficiency was temporarily deferred;
8. Date temporarily deferred letter was sent to SDE;
9. Date proposed termination;
10. Date proposed termination sent to SDE;
11. Date center terminated; and
12. Date termination letter sent to SDE.

SDE has a sample monitoring tracking log and a serious deficiency tracking log. Sponsoring

organizations may use both logs or develop their own and submit their logs to SDE for approval prior to implementing.

If the monitor notes issues that need follow-up, a date for follow-up must be recorded on the original monitoring form and the tracking log, and the follow-up review must be conducted and documented with resolutions noted.

### **NOTIFICATION OF UNANNOUNCED REVIEWS**

Sponsoring organizations must provide each facility with written notification of the right of the sponsoring organization, SDE, USDA, and other State and Federal officials to make announced or unannounced reviews of its operations during the facility's normal hours of operation, and must also notify sponsored facilities that anyone making such reviews must show photo identification that demonstrates that they are employees of one of these entities. The sponsoring organization must provide the notice before meal service under CACFP begins. The written notice is included in the permanent CACFP agreement between the sponsoring organization and the facility.

### **OTHER REQUIREMENTS PERTAINING TO UNANNOUNCED REVIEWS**

Unannounced reviews must be made only during the facility's normal hours of operation, and monitors making such reviews must show photo identification that demonstrates that they are employees of the sponsoring organization, SDE, USDA, or other State and Federal agencies authorized to audit or investigate CACFP operations.

### **IMMINENT THREAT TO HEALTH OR SAFETY**

Sponsoring organizations that discover in a monitoring review, facility conduct or conditions that pose an imminent threat to the health or safety of participants or the public, the sponsoring organization must immediately notify the appropriate State or local licensing or health authorities and take action that is consistent with the recommendations and requirements of those authorities.

### **HOUSEHOLD CONTACTS**

Sponsoring organizations, as part of their monitoring of facilities, must comply with the household contact requirements established pursuant to 7 CFR 226.6(m) (5).

#### **When Household Contacts Must Be Made By The Sponsoring Organization:**

A Sponsoring organization is required to contact households in writing or by telephone within 60 days of finding irregularities. The Sponsoring organization must conduct household

contacts to verify the accuracy of a claim (or claims) and supporting records whenever one or more of following instances take place:

1. During a site monitoring review:
  - a) Substantially fewer participants are present on the review day than are regularly claimed without good reason (flu epidemic, field trip, etc.);
  - b) Participant attendance records or enrollment forms appear unauthentic;
  - c) Records were completed in advance;
  - d) A meal is always claimed by the facility; however, the facility is not serving that meal when the monitor conducts the visit, including holiday and weekend visits. Example, a facility always serves supper at 5:30 PM, but when the monitor visits at 5:30 PM, the facility is not serving a meal or planning to serve a meal;
  - e) The provider is not at the home or the center is closed when the monitor or SDE attempts to visit, but the facility claims the meal for reimbursement with the sponsoring organization; and
  - f) Discrepancies in record keeping and other various reasons that cause a sponsoring organization to question the claim.
2. The sponsoring organization or SDE receives a whistleblower complaint regarding meal claiming.
3. The sponsoring organization questions the validity of a facilities reimbursement claim.
4. Any other time deemed necessary by the sponsoring organization.

#### Household Contact Procedure:

1. The sponsoring organization must contact households either by phone or by a mail-back survey. The sponsoring organization must also keep a tracking log to document the results of such an investigation.
2. If the sponsoring organization staff conducts parent surveys to verify child attendance and participation in the CACFP, the sponsoring organization is responsible for developing their own survey tool. The tool must ask parents to provide information regarding such items as:
  - a) What days and hours their children are/were in care;
  - b) Which meals the children eat/ate while in care; and
  - c) Other information may include verifying that the child is still attending the facility or verifying the child's birth date.
3. The sponsoring organization may obtain the information via telephone or via mail. If obtained via telephone, the sponsoring organization must thoroughly complete the household contact survey, date, and sign it. It is recommended the survey is mailed

to the parent for verification. If mailed, the parent completes the survey and returns it to the sponsoring organization. When written contact is not successful, follow-up contact by phone must be completed.

4. At a minimum, sponsoring organizations must receive at least a 25% response rate to the surveys. A response of less than 25% requires additional follow-up by the sponsoring organization.

#### Household contact follow-up:

1. If evidence from parent contacts validates the complaint or review concerns, the sponsoring organization will disallow meals and commence the Serious Deficiency process per regulations;
2. If evidence from parent contacts does not validate the complaint or review concerns, the sponsoring organization is not required to take action. However, if other problems are revealed, the sponsoring organization is required to follow-up with those problems appropriately, via technical assistance or the Serious Deficiency process.

# Serious Deficiency Process

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The sponsoring organization must initiate the serious deficiency process if the sponsoring organization determines the day care home or unaffiliated center has committed one or more serious deficiency listed below. If a successful corrective action plan is not submitted or accepted the sponsoring organization must initiate the action to terminate the agreement of a day care home or unaffiliated center for cause.

## **SERIOUS DEFICIENCIES FOR DAY CARE HOMES AND UNAFFILIATED CENTERS ARE:**

1. Submission of false information on the application;
2. Submission of false claims for reimbursement;
3. Simultaneous participation under more than one sponsoring organization;
4. Non-compliance with CACFP meal pattern;
5. Failure to keep required records;
6. Conduct or conditions that threaten the health or safety of participants in care, or the public health or safety;
7. A determination that the day care home or unaffiliated center has been convicted of any activity that occurred during the past seven years and that indicated a lack of business integrity. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity, or the concealment of such a conviction;
8. Failure to participate in training; or
9. Any other circumstance related to non-performance under the sponsoring organization day care homes or unaffiliated center's agreement, as specified by the sponsoring organization or SDE.

## **SERIOUS DEFICIENCY NOTIFICATION PROCEDURES**

If the sponsoring organization determines that a day care home or unaffiliated center has committed one or more of the serious deficiencies listed above, the sponsoring organization must use the following procedures to provide the day care home or unaffiliated center notice of the serious deficiency(ies) and offer it an opportunity to take corrective action. However, if the serious deficiency(ies) constitutes an imminent threat to the health or safety of participants, or the day care home or unaffiliated has engaged in activities that threaten the public health or safety, the sponsoring organization must follow the suspension procedures

provided below under Suspension of Participation for Day Care Homes or Unaffiliated Centers.

SDE provided USDA prototype day care home letters in the USDA Handbook “Serious Deficiency, Suspension, & Appeals for State Agencies & Sponsoring Organizations” to organizations to use in the serious deficiency process. The handbook is located on the CNP website at <https://www.sde.idaho.gov/cnp/cacfp/>.

### Notice of serious deficiency

The sponsoring organization must notify the day care home or unaffiliated center, in writing and in a method of delivery that confirms receipt and/or delivery of notice that it has been found to be seriously deficient. The sponsoring organization must provide a copy of the serious deficiency notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign the serious deficiency notice. The notice must specify:

1. The serious deficiency (ies);
2. The actions to be taken by the day care home or unaffiliated center to correct the serious deficiency (ies);
3. The time allotted to correct the serious deficiency (ies) (as soon as possible, but not to exceed 30 days);
4. That the serious deficiency determination is not subject to administrative review/appealable;
5. That failure to fully and permanently correct the serious deficiency(ies) within the allotted time will result in the sponsoring organization’s proposed termination of the day care home or unaffiliated center’s agreement and the proposed disqualification of the day care home or unaffiliated center and its principals; and
6. That the day care home or unaffiliated center’s voluntary termination of its agreement with the sponsoring organization after having been notified that it is seriously deficient will still result in the day care home or unaffiliated center’s formal termination by the sponsoring organization and placement of the day care home and its principals on the National disqualified list, and placement of the unaffiliated center and its principals on the Idaho disqualified list.

The sponsoring organization will provide technical assistance as appropriate in the areas identified as seriously deficient.



## Corrective Action Plan (CAP)

In response to the serious deficiency notice, the family day care home or unaffiliated center must submit a Corrective Action Plan (CAP) that details the internal controls implemented to ensure that the serious deficiency(ies) are fully and permanently corrected. A successful CAP must include:

1. Name(s) of the facility, day care home provider, executive director, chairman of the board of directors and other responsible principals and responsible individuals (RPIs) associated with the serious deficiencies;
2. Address of the facility;
3. Dates of birth of the day care home provider, executive director, chairman of the board of directors and other responsible principals and responsible individuals associated with the serious deficiency(ies); and
4. Details of the serious deficiencies.

### What

- List each serious deficiency and the detailed procedures that will be implemented to address each serious deficiency;

### Who

- In the procedures that address each serious deficiency, list the personnel responsible for each task. Use the personnel title.

### When

- The timeline for implementing each procedure to correct the issue and how often the procedure will occur: daily, weekly, monthly, or annually. Include when the implementation began and the date(s) when each procedure will be fully implemented.

### Where

- The location where records and CAP documentation will be maintained.

### How

- Additional supporting documentation used to correct the issue. This might include copies of enrollment forms, training documentation, menu records, income eligibility records, attendance records, meal count forms, etc.; and
- Describe how the Institution will inform other responsible principals and responsible individuals (staff) of the new policies and procedures (e.g., Handbook, training).

## Successful corrective action plan (CAP)

If the day care home or unaffiliated center's CAP is acceptable to the sponsoring organization's satisfaction within the allotted timeframe, the sponsoring organization must

notify the day care home or unaffiliated center, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that it has temporarily deferred its determination of serious deficiency. The sponsoring organization must also provide a copy of the notice to SDE. However, if the sponsoring organization accepts the day care home or unaffiliated center's corrective action plan, but later determines that the corrective action was not permanent or complete, the sponsoring organization must issue a notice proposing to terminate the day care home or unaffiliated center's agreement for cause and disqualify the day care home or unaffiliated center and responsible principals.

#### Proposed termination of agreement and proposed disqualification.

If the day care home or unaffiliated center fails to submit a timely CAP or no CAP is submitted to fully and permanently correct the serious deficiency(ies) cited, the sponsoring organization must issue a notice proposing to terminate the day care home or unaffiliated center's agreement for cause. The notice must explain the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination in accordance with 7 CFR 226.6(l). The sponsoring organization must provide a copy of the notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign this notice. The notice must:

1. Provide explanation of the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination and the procedures to request such an administrative review (appeal);
2. Inform the day care home or unaffiliated center that it may continue to participate and receive CACFP reimbursement for eligible meals served until its administrative review is concluded;
3. Inform the day care home or unaffiliated center that termination of the day care home or unaffiliated center's agreement will result in the day care home or unaffiliated center's termination for cause and disqualification; and
4. State that if the day care home or unaffiliated center seeks to voluntarily terminate its agreement after receiving the notice of intent to terminate, the day care home and responsible principals will still be placed on the National disqualified list and the unaffiliated center and responsible principals will be placed on Idaho's disqualified list.

If an administrative review (appeal) is requested by the day care home or unaffiliated center, the sponsoring organization and the administrative (appeal) official must follow the sponsoring organization's Administrative Review (Appeal) Procedures. If the administrative review (appeal) official overturns the sponsoring organization's proposed actions to terminate the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals, the sponsoring organization

must issue a notice, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the proposed termination of the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals is temporarily deferred.

#### Program payments

The sponsoring organization must continue to pay any claims for reimbursement for eligible meals served until the serious deficiency(ies) is/are corrected or the day care home or unaffiliated center's agreement is terminated, including the period of any administrative review.

#### Agreement termination and disqualification

The sponsoring organization must immediately terminate the day care home or unaffiliated center's agreement and disqualify the day care home or unaffiliated center when the administrative review official upholds the sponsoring organization's proposed termination and proposed disqualification, or when the day care home or unaffiliated center's opportunity to request an administrative review expires. The sponsoring organization must issue a notice ***within 10 days*** of the administrative review official's determination, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the day care home or unaffiliated center's agreement is terminated and the day care home or unaffiliated center and responsible principals are disqualified. At the same time the notice is issued, the sponsoring organization must provide a copy of the termination and disqualification letter to SDE.

### SUSPENSION OF PARTICIPATION FOR DAY CARE HOMES OR UNAFFILIATED CENTERS

If State or local health or licensing officials have cited a day care home or unaffiliated center for serious health or safety violations, the sponsoring organization must immediately suspend the home or unaffiliated center's CACFP participation prior to any formal action to revoke the home or unaffiliated center's licensure or approval.

If the sponsoring organization determines that there is an imminent threat to the health or safety of participants at a day care home or unaffiliated center, or that the day care home or unaffiliated center has engaged in activities that threaten the public health or safety, and the licensing agency cannot make an immediate onsite visit, the sponsoring organization must immediately notify the appropriate State or local licensing and health authorities and take action that is consistent with the recommendations and requirements of those authorities.

An imminent threat to the health or safety of participants and engaging in activities that threaten the public health or safety constitute serious deficiencies; however, the sponsoring organization must use the procedures below to provide the day care home or unaffiliated center notice, in writing and in a method of delivery that confirms receipt and/or delivery of notice, of the suspension of participation, serious deficiency, and proposed termination of the day care home or unaffiliated center's agreement.

#### Notice of suspension, serious deficiency, and proposed termination

The sponsoring organization must notify the day care home or unaffiliated center *within 10 days* of the determination of imminent threat to health or safety that its participation has been suspended, that the day care home or unaffiliated center has been determined seriously deficient, and that the sponsoring organization proposes to terminate the day care home or unaffiliated center's agreement for cause, and must provide a copy of the notice to SDE. The sponsoring organization may determine who in their organization has the authority to sign this notice. The notice must:

1. Specify the serious deficiency(ies) found and the day care home or unaffiliated center's opportunity for an administrative review (appeal) of the proposed termination in accordance with 7 CFR 226.6(l);
2. State that participation (including all CACFP payments) will remain suspended until the administrative review is concluded;
3. Inform the day care home or unaffiliated center that if the administrative review official overturns the suspension, the day care home or unaffiliated center may claim reimbursement for eligible meals served during the suspension;
4. Inform the day care home or unaffiliated center that termination of the day care home or unaffiliated center's agreement will result in the placement of the day care home on the National disqualified list and the unaffiliated center on the Idaho disqualified list; and
5. State that if the day care home or unaffiliated center seeks to voluntarily terminate its agreement after receiving the notice of proposed termination, the day care home or unaffiliated center will still be terminated for cause and disqualified.

If an administrative review (appeal) is requested by the day care home or unaffiliated center, the sponsoring organization and the administrative (appeal) official must follow the sponsoring organization's Administrative Review (Appeal) Procedures. If the administrative review (appeal) official overturns the sponsoring organization's proposed actions to terminate the day care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals, the sponsoring organization must issue a notice in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the serious deficiency, suspension, proposed termination of the day

care home or unaffiliated center's agreement and disqualification of the day care home or unaffiliated center and responsible principals is temporarily deferred. The sponsoring organization must provide a copy of the notice to SDE.

#### Agreement termination and disqualification

The sponsoring organization must immediately terminate the day care home or unaffiliated center's agreement and disqualify the day care home or unaffiliated center when the administrative review official upholds the sponsoring organization's proposed termination, or when the day care home or unaffiliated center's opportunity to request an administrative review expires. The sponsoring organization must issue a notice *within 10 days* of the administrative review official's determination, in writing and in a method of delivery that confirms receipt and/or delivery of notice, that the day care home or unaffiliated center's agreement is terminated and the day care home or unaffiliated center and responsible principals are disqualified. The sponsoring organization may determine who in their organization has the authority to sign this notice.

#### Program payments

A sponsoring organization is prohibited from making any CACFP payments to a day care home or unaffiliated center that has been suspended until any administrative review of the proposed termination is completed. If the suspended day care home or unaffiliated center prevails in the administrative review of the proposed termination, the sponsoring organization must reimburse the day care home or unaffiliated center for eligible meals served during the suspension period.

#### REMOVAL FROM THE NATIONAL DISQUALIFIED LIST

Day care home providers or Institutions sponsored by SDE, terminated and disqualified through the serious deficient or suspension process will be placed on the National disqualified list. While on the list, the provider or Institution will not be able to participate in the CACFP as a day care home provider or Institution. In addition, they will not be able to serve as a principal (hold a management position or be an officer) in any CACFP Institution or facility.

According to 7 CFR 226.6(c) (7) (vi), once included on the National disqualified list, a day care home provider or Institution will remain on the list until the state agency determines that the serious deficiency (ies) that led to his/her placement on the list has(ve) been corrected, or until 7 years have elapsed since the home or Institution's agreement was terminated for cause. However, if the day care home provider or Institution has failed to repay debt owed under the program, they will remain on the list until the debt has been

repaid.

SDE can access the National disqualified list via the Internet. Prior to signing an agreement with a day care home provider, unaffiliated center or other responsible principals, the sponsoring organization must submit a complete provider or site application to SDE for approval in MyIdahoCNP. The state agency will check the National disqualified list prior to approving the provider or site application. Sponsoring organizations are prohibited from entering into an agreement with any day care home or unaffiliated center that has been terminated and disqualified and subsequently placed on the National disqualified list.

## Administrative Review Procedures (Appeal Process)

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SDE must ensure that, when a sponsoring organization proposes to terminate its CACFP agreement with a day care home or unaffiliated center for cause, the day care home or unaffiliated center is provided an opportunity for an administrative review (appeal) of the proposed termination. SDE requires the sponsoring organization to offer an administrative review.

SDE requires that each sponsoring organization develop administrative review (appeal) procedures for offering and providing the administrative review. The procedures must include that the administrative review (appeal) official is an impartial and independent person not involved in the decision to terminate the day care home or unaffiliated center's agreement to participate in CACFP. The sponsoring organization administrative reviews procedures must include the actions below.

### **ACTIONS SUBJECT TO ADMINISTRATIVE REVIEW (APPEAL)**

The sponsoring organization must offer an administrative review to a day care home or unaffiliated center that appeals a notice of intent to terminate their agreement for cause or a suspension of their participation (see 7 CFR 226.16(l) (3) (iii) and (l) (4) (ii)).

### **ACTIONS NOT SUBJECT TO ADMINISTRATIVE REVIEW (APPEAL)**

Neither SDE nor the sponsoring organization is required to offer an administrative review for reasons other than those listed above.

### **PROVISION OF ADMINISTRATIVE REVIEW (APPEAL) PROCEDURES TO DAY CARE HOMES OR UNAFFILIATED CENTERS**

The administrative review procedures must be provided:

1. Annually to all day care homes and unaffiliated centers;
2. To a day care home or unaffiliated center when the sponsoring organization takes any action subject to an administrative review; and
3. Any other time upon request.

### **ADMINISTRATIVE REVIEW PROCEDURES (APPEAL)**

The sponsoring organization must follow the following procedures when a family day care home or unaffiliated center requests an administrative review of any action subject to administrative review (appeal):

### Uniformity

The same procedures must apply to all day care homes or unaffiliated centers.

### Representation

The day care home provider or unaffiliated center owner and any other responsible principals may retain legal counsel, or may be represented by another person.

### Review of record and Opposition

The day care home or unaffiliated center may review the record on which the decision to propose termination or suspension was based and refute the action in writing within (*recommended 10 days*) of delivery receipt or date on notice. The administrative review official is not required to hold a hearing.

### Administrative review (appeal) official.

The administrative review official must be independent and impartial. This means that, although the administrative review official may be an employee or board member of the sponsoring organization, he/she must not have been involved in the action that is the subject of the administrative review or have a direct personal or financial interest in the outcome of the administrative review. The provider or unaffiliated center must be permitted to contact the hearing official directly if he or she so desires.

### Basis for decision.

The administrative review (appeal) official must make a determination based solely on the information provided by the sponsoring organization, the day care home provider, or unaffiliated center owner and any responsible principals and responsible individuals, and based on Federal and State laws, regulations, policies, and procedures governing CACFP.

### Time for issuing a decision.

The administrative review official must inform the sponsoring organization and the day care home or unaffiliated center owner and any responsible principals or responsible individuals in writing of the administrative review's outcome within (*recommended 20 days*) from the date the administrative review official received the day care home or unaffiliated center request for appeal and refute for the action. This timeframe is an administrative requirement for the sponsoring organization and may not be used as a basis for overturning the termination if a decision is not made within the specified timeframe.

### Final decision.

The determination made by the administrative review (appeal) official is the final



administrative determination to be afforded the day care home provider or unaffiliated center owner and the responsible principals and responsible individuals per 7 CFR 226.6(k)(5)(x) and 226.6(l)(5)(vii).

## Termination for Convenience Procedure

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A sponsoring organization of unaffiliated centers or day care homes, center owner/director or day care home provider may terminate their agreement between a sponsoring organization and a day care home and unaffiliated center to participate in the Child and Adult Care Food Program (CACFP) for convenience.

**Termination for convenience** means termination of a day care home or unaffiliated center CACFP agreement by either the sponsoring organization or the day care home provider or center owner/director, due to considerations unrelated to either party's performance of CACFP responsibilities under the agreement. Termination for convenience is not an appealable action.

1. Sponsoring organization's reason for termination for convenience:
  - a) Financial Viability-It is no longer economically feasible for a sponsoring organization to provide services to a remote geographical area.
2. Day care home provider's or unaffiliated center's reasons for termination for convenience:
  - a) Personal or financial; or
  - b) Transfer to new sponsoring organization-subject to transfer limit.

When terminating for convenience:

1. The sponsoring organization agrees in their CACFP agreement to give the day care home provider or unaffiliated center at least 30 days prior written notice of cancellation actions specifying when said actions shall take place.
2. The day care home provider or unaffiliated center agrees in their CACFP agreement to give the sponsoring organization at least two weeks prior written notice of withdrawal or transfer from the CACFP specifying when said actions shall take place and last claim the facility will submit to the sponsoring organization.

### **SPONSORING ORGANIZATION PROCEDURE FOR TERMINATING FOR CONVENIENCE**

The process below must be followed in order for a sponsoring organization to terminate a day care home provider's or unaffiliated center's CACFP agreement and participation in CACFP for convenience.

1. Submit a written notice to the SDE of intent to terminate the day care home provider or unaffiliated center for convenience at least 60 days prior to the planned termination date. The written notice must include:
  - a) Day care home provider's or unaffiliated center's name;
  - b) Reason for termination (financial viability) and supporting documentation;

- c) Day care home provider's or unaffiliated center's last three monitoring visit reports; and
  - d) Date the sponsoring organization's plans to terminate the agreement and last claim submitted for the facility.
2. SDE will review the notice and supporting documentation and either approve or deny the request in writing to the sponsoring organization within 15 days.
3. If the notice to terminate for convenience is approved, the sponsoring organization must send a 30 days prior written notice to the day care home provider or unaffiliated center of cancelation actions of their agreement for convenience. The notice must specify when this action will take place.
4. If the notice to terminate for convenience is denied, the sponsoring organization may not continue actions to terminate the day care home provider or unaffiliated center for convenience.

#### **DAY CARE HOME PROVIDER'S OR UNAFFILIATED CENTER'S PROCEDURE FOR TERMINATING FOR CONVENIENCE**

The process below must be followed in order for a day care home provider or unaffiliated center to terminate their CACFP agreement and participation in CACFP for convenience with their sponsoring organization:

1. Submit two weeks' notice to the sponsoring organization of cancelation actions of their CACFP agreement for convenience. The written notice must include:
  - a) Day care home provider's or unaffiliated center's name;
  - b) Reason for termination; and
  - c) Last date of operation in CACFP and last claim submitted or to be submitted to the sponsoring organization.
2. The sponsoring organization will review the notice and verify the day care home provider or unaffiliated center is not seriously deficient and is in good standing.
3. If the day care home provider or unaffiliated center is in good standing, the sponsoring organization must accept the notice and send a copy to SDE.
4. If the day care home provider or unaffiliated center is seriously deficient, the sponsoring organization must continue the serious deficiency process and propose to disqualify the day care home provider or unaffiliated center from future CACFP participation. If disqualified, the day care home provider will be placed on the National disqualified list, and the unaffiliated center and responsible principals will be placed on Idaho's disqualified list.

## TRANSFER POLICY FOR FAMILY DAY CARE HOMES, INDEPENDENT CENTERS OR UNAFFILIATED CENTERS

The procedure involves the transfer of either:

1. A family day care home provider or unaffiliated center from one sponsoring organization to another;
2. An independent center sponsored by SDE to an unaffiliated center sponsored by a sponsoring organization; or
3. An unaffiliated center sponsored by a sponsoring organization to an independent center sponsored by SDE.

A family day care home, unaffiliated center or independent center may transfer from one sponsor to another without a break in service if the following transfer procedure is followed.

1. A family day care home, unaffiliated center or independent center may change sponsorship only once in a 12 month period. An exception may apply if a sponsoring organization agreement with SDE is terminated for cause or convenience.
2. A family day care home, unaffiliated center or independent center may not be enrolled with two different sponsoring organizations or SDE and a sponsoring organization in the same month. A family day care home, unaffiliated center or independent center cannot receive a partial payment from two different sponsoring organizations or from SDE and a sponsoring organization for the same month.
3. A family day care home, unaffiliated center or independent center needs to notify their current sponsoring organization or SDE at least two weeks in advance if they wish to transfer. The receiving sponsoring organization or SDE must confirm that a family day care home, unaffiliated center or independent center is in good standing with the current sponsoring organization or SDE before adding the transferred family day care home, unaffiliated center or independent center to their sponsorship.  
Sponsoring organizations only: Upon completion of the pre-approval visit by the new sponsoring organization, the name of the transferring provider or unaffiliated center must be submitted to the SDE.
4. The family day care home, unaffiliated center or independent center becomes eligible to participate and can be reimbursed on the CACFP with the new sponsoring organization or SDE on the date the family day care home, unaffiliated center or independent center is approved by the SDE in MyIdahoCNP site/provider application.
5. The CACFP meal reimbursement is paid at the same rate for all sponsoring organizations and SDE. All sponsoring organizations and SDE will require the family day care home, unaffiliated center or independent center to attend training.
6. All sponsoring organizations and SDE will require the family day care home, unaffiliated center or independent center to maintain daily menu, meal counts, and

enrollment and attendance records. In addition, the sponsoring organization and SDE will make meal disallowances when records are not current or accurate.

7. All sponsoring organizations must disburse meal reimbursement to facilities within 5 working days of receipt from the SDE.

## Day Care Home Provisions

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A day care home is an organized nonresidential child care program for children enrolled in a private home, licensed or approved as a family or group day care home. Day care homes participating in CACFP shall operate under the auspices of a public or private nonprofit sponsoring organization.

### LICENSING

Day care homes shall have current Federal, State or local licensing or approval to provide day care services to children. Day care home providers must enter into a signed agreement with the sponsoring organization that includes the provider's full name, mailing address, and date of birth. Day care homes which are complying with applicable procedures to renew licensing or approval may participate in CACFP during the renewal process, unless SDE has information which indicates that renewal will be denied. If licensing is not available, a day care home may participate in CACFP if:

1. It receives title XX funds for providing child care; or
2. It demonstrates compliance with CACFP child care standards.

### Licensing Assistance

Tier I day care homes which cannot obtain their license because they lack the funding to comply with licensing standards may request a total limit per home of \$300 in administrative funds from a sponsoring organization to assist them in obtaining their license. Day care homes that, at the option of their sponsoring organization, receive the one time administrative funds for licensing related expenses must complete documentation requested by their sponsor as described in 7 CFR 226.16(k) prior to receiving any funds.

### REIMBURSABLE MEALS AND SNACKS

Each day care home participating in CACFP shall serve and claim the meal types specified in its approved provider application in MyIdahoCNP. The meals served must be in accordance with the meal pattern requirements specified in 7 CFR 226.20.

A day care home must serve one or more of the following meal types—breakfast, lunch, supper, and snack. Reimbursement may not be claimed for more than two meals and one snack, or one meal and two snacks, provided daily to each child. In addition, reimbursement may not be claimed for meals served to children who are not enrolled, or for meals served at any one time to children in excess of the home's authorized capacity or for meals served to providers' children who are not eligible for free or reduced-price meals.

Finally, meals shall be served at no separate charge to enrolled children.

## **ELIGIBILITY TO CLAIM PROVIDERS OWN CHILDREN**

Payment may be made for meals served to the provider's own children only when:

1. Provider's children are enrolled and participating in the child care program during the time of the meal service;
2. Enrolled nonresident children are present and participating in the child care program; and
3. Provider's children are eligible to receive free or reduced-price meals.

## **ENROLLMENT AND TIER II PARTICIPANT ELIGIBILITY RECORDS**

Each day care home must maintain on file documentation of each child's enrollment. Such documentation of enrollment must be updated annually, signed and dated by a parent or legal guardian, and include information on each child's normal days and hours of care and the meals normally received while in care.

Each Tier II day care homes may elect to have the sponsoring organization identify enrolled children who are eligible for free or reduced price meals. The income eligibility forms used to determine the eligibility of enrolled children in tier II day care homes must be maintained by the sponsoring organization.

## **ATTENDANCE RECORDS**

Day care homes must maintain daily records of the number of children in attendance in the day care home. Idaho's licensing agency requires all day care homes to maintain daily time in and out attendance records for each enrolled child. SDE and sponsoring organizations will use this documentation to verify claims monthly.

## **DAILY MEAL COUNT RECORDS**

Daily records of the number of meals, by meal type (breakfast, lunch, supper, and snacks), served to each enrolled participant by name, must be maintained and submitted each month to the sponsoring organization.

## **MENU RECORDS**

Menu records shall be maintained to document compliance with the CACFP meal pattern as specified in 7 CFR 226.20 and the Meal Pattern Requirement section of this manual. Please see the Meal Planning and Menu Record Requirement section of this manual for more information on how to complete menus and maintain menu records.

## **OPERATING COSTS**

SDE does not require facilities or sponsoring organizations to maintain documentation of home operating costs. In addition, SDE does not require facilities sponsored by sponsoring organizations to submit budgets to their sponsoring organization.

## **PROCUREMENT RECORDS**

SDE does not require facilities to document procurement practices and submit such documentation to their sponsoring organization.

## **TRAINING REQUIREMENTS**

The sponsoring organization must provide training and technical assistance to new and renewing day care home providers. In turn, the day care home provider must provide CACFP training prior to the home's participation in CACFP, and at least annually thereafter to any staff they may hire that is involved with CACFP operations and record keeping and that did not attend the sponsoring organization training.

## **MINIMUM TRAINING REQUIREMENTS ESTABLISHED BY SDE:**

1. Meal pattern requirements for the ages of participants;
2. Serving sizes for the different age groups;
3. How to serve meals to participants;
4. How and when to take meal counts;
5. How and when to record attendance;
6. Menu planning;
7. Meal service styles (family or served);
8. Sanitation and kitchen safety requirements;
9. Civil Rights requirements;
10. Accommodating children with special dietary needs; and
11. Training requirements.

## **DAY CARE HOMES WITH INFANTS IN CARE, THE FOLLOWING ARE REQUIRED TRAINING TOPICS:**

1. Infant Feeding Benefit Notification Form;
2. Meal pattern requirements for infants;
3. Recording daily menu requirements for infants;
4. How and when to record meal count for infants; and
5. Creditable foods in infant meals.



## **RECOMMENDED TRAINING TOPICS FOR CACFP STAFF INCLUDES:**

1. Encouraging healthy eating habits;
2. How to incorporate more whole grain foods, vegetables and fruits into menus;
3. Ways to encourage participant milk consumption; and
4. Developmentally appropriate physical activities for young children.

## **TRAINING DOCUMENTATION**

All training must be documented with the following:

1. The date, time, and location of training;
2. The name of the trainer;
3. The topics covered;
4. The names, positions and signatures of staff in attendance; and
5. The training material(s) used.

Day care homes may use the SDE CACFP Staff Training Form to document staff training or one provided by their sponsoring organization.

SDE encourages facilities to train staff more frequently than annually or on an ongoing basis. SDE periodically issues new or revised policy through memoranda that may require additional training of the facility staff throughout the year.

## **TRAINING HOME'S NEW STAFF**

In addition to annual training, all facilities must have a procedure for training new staff on CACFP and Civil Rights requirements soon after they are hired and before they take responsibility for their CACFP duties. To provide adequate back-up if available, more than one staff person should be thoroughly trained in each CACFP function.

## **RECORDKEEPING REQUIREMENTS**

Each day care home shall comply with the recordkeeping requirements established in 7 CFR 226.10(d) and in this section. Failure to maintain such records shall be grounds for the denial of reimbursement. SDE and sponsoring organizations require facilities to maintain records for three years plus the current program year. SDE allows facilities to maintain records either in hard copy or electronically. The records must be legible and available to SDE during CACFP reviews.

## Questions and Answers

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### **CAN DAILY MEAL COUNT SHEETS AND ATTENDANCE BE COLLECTED DAILY AND STORED AT THE SPONSORING ORGANIZATION'S OFFICE OR DOES EACH SITE NEED TO KEEP COPIES OF THOSE RECORDS?**

Sponsoring organizations and each sponsored facility (day care home) must maintain daily records of meal counts by type (breakfast, lunch, supper, and snacks) served to each enrolled participant by name and daily time in/time out attendance records.

### **DO PROVIDERS HAVE TO SIGN THE MEAL COUNT RECORD, IF RECORDED BY HAND?**

There is no requirement in the Federal regulations for day care home providers to sign the meal count record. It is a best practice for providers to sign the record as it ensures the provider reviewed the form before submitting it to the sponsoring organization.