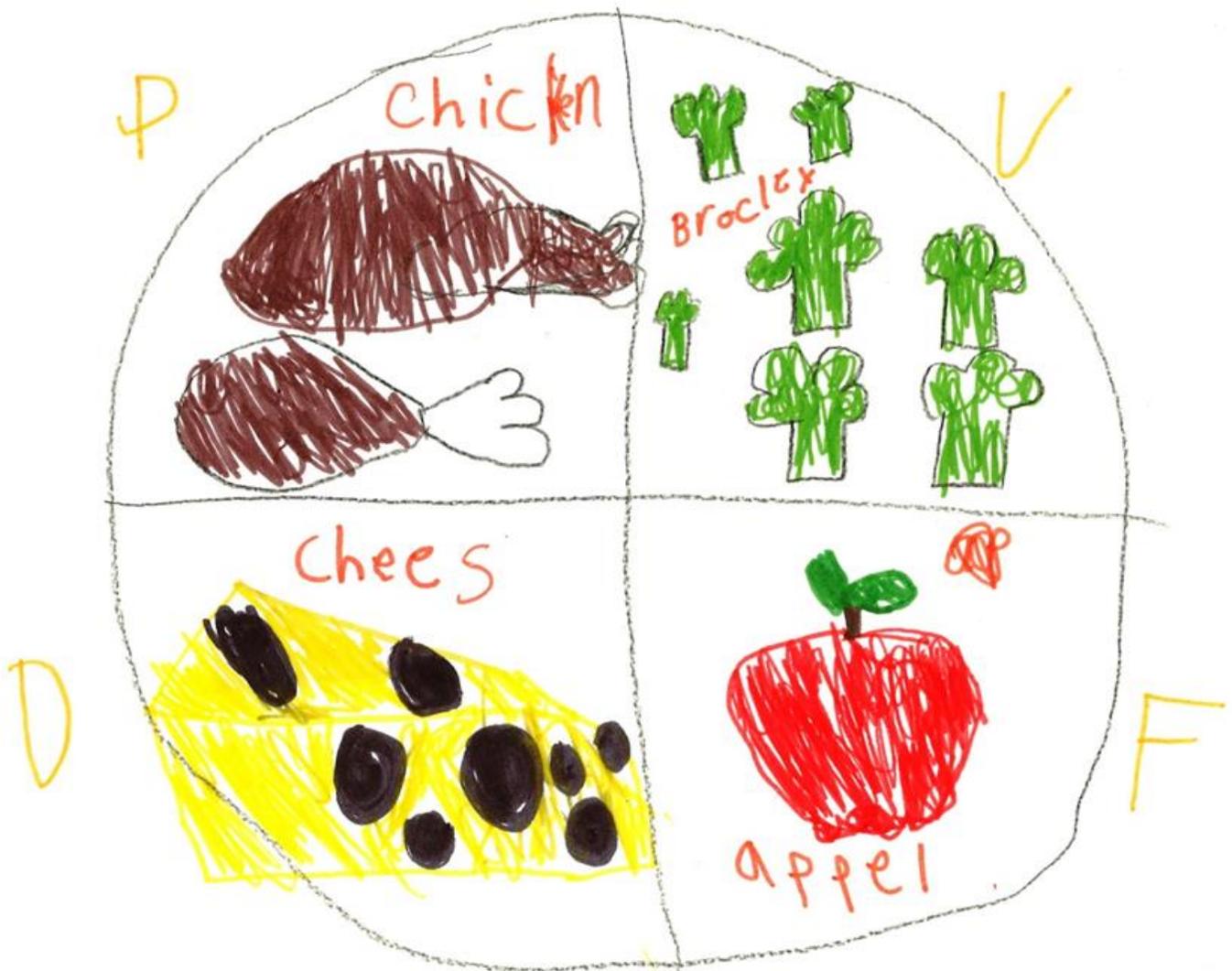




Arizona Department of Education
Diane Douglas, Superintendent of Public Instruction

Child Care Center Compliance Manual

Child and Adult Care Food Program
Health and Nutrition Services



ARIZONA DEPARTMENT OF EDUCATION
CHILD AND ADULT CARE FOOD PROGRAM
CHILD CARE CENTER COMPLIANCE MANUAL
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Chapter 1

Introduction



INTRODUCTION

CHAPTER 1

Section 1.1: General Information

Good nutrition, the development of healthy eating habits, and learning about food choices are vital building blocks for young children. Provisions must be made to ensure that these building blocks are in place to promote good health throughout life. A growing number of young children receive a significant proportion of their food in child care settings.

Those responsible for feeding children in child care centers have an important responsibility to:

- Serve wholesome and attractive meals that follow the dietary guidelines and meet children's nutritional needs.
- Make meal time a pleasant and sociable experience.
- To provide nutrition education.

Sharing in this responsibility is the staff of the Child and Adult Care Food Program (CACFP). The CACFP is a United States Department of Agriculture (USDA) program that is administered by the Arizona Department of Education (ADE). The primary goal of the CACFP is to improve and maintain the health and nutritional status of children in care while promoting the development of good eating habits. Programs participating in the CACFP must serve meals to all enrolled participants.

This compliance manual is designed to provide sponsors with instructions on how to administer the CACFP and to help ensure wholesome, nutritious meals are served to children in child care centers. The contents of this manual are based on Federal Regulation 7 CFR 226., Food & Nutrition Service Instructions (FNS 796-2 rev. 4), and CACFP Policies set forth by the United States Department of Agriculture and the Arizona Department of Education. This manual is also intended to be used in conjunction with other CACFP manuals and resources such as, *CACFP Eligibility Guidance Manual for Center-based Programs* and the *CACFP Creditable Foods and Buying Guide*.

The Child Nutrition Programs (CNP) staff is committed to assisting schools and organizations to improve the nutrition and well-being of students so they can achieve their full potential.

Definitions

Adult Day Care Center - Any public or private nonprofit organization or proprietary organization that provides nonresidential services and receives compensation under Title XIX of the Social Security Act for chronically impaired disabled adults 18 years of age or older or persons 60 years of age or older with or without an impairment.

Administrative Duties/Costs - Necessary, Reasonable, and Allowable CACFP costs incurred by a Sponsor related to the planning, organizing, and managing of CACFP administrative duties. CACFP administrative duties include costs towards "Labor," "Benefits," "Supplies/Equipment," "Rent/Mortgage," "Contracted Services," and "Communications."

Administrative Personnel - Include center Owner, Bookkeeper, Director, or Monitor involved in the planning, organizing, and managing of CACFP administrative duties.

Arizona Department of Education (ADE) - The State Agency designated by the legislative authority of the State of Arizona and has been approved by the USDA to administer the CACFP.

At-Risk After School Snack Program - A sub-program of the CACFP that provides Federal funds to public or private organizations for snacks served to children through the age of 18 who participate in organized programs that provide after school care in at-risk areas.

Child and Adult Care Food Program (CACFP) - A USDA program that provides Federal funds to non-residential child and adult day care facilities, emergency shelters and certain after school care programs to serve nutritious meals and snacks.

CACFP Child Care Standards - Standards for alternate approval of child care facilities, outside-school-hours centers, and day care homes when licensing or approval is not available.

Child Care Center/Facility - Any public or private non-profit organization, or proprietary Title XX center as defined in this section, licensed or approved to provide nonresidential child care services to enrolled children, primarily of preschool age, including, but not limited to day care centers, preschools, Head Start centers, outside-school-hours child care centers, and organizations providing day care services for disabled children. Child care centers may participate in the Program as independent centers or under the jurisdiction of a sponsoring organization.

Child Nutrition Programs (CNP) - Federally funded programs administered through the USDA. These programs include the CACFP, National School Lunch Program, School Breakfast Program, Summer Food Program, Special Milk Program, and Food Distribution Program.

Civil Rights – The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age disability, political beliefs, sexual orientation, or marital or family status (not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (866) 632-9992(voice and TDD) Fax (202-) 720-5964, USDA is an equal opportunity provider and employer. The non-discrimination statement must be included on all materials that are provided to the public (menus, brochures, advertisements, websites, etc.).

Claiming Percentage – A method for computing reimbursement. Using this method, daily meal counts do not have to be maintained separately for each income category (Free, Reduced, and Paid). Instead, each month the total number of participants eligible for each category is divided by total enrollment to determine a claiming percentage for that category. The percentage for each category is then multiplied by the total number of each meal served for that month to establish the number of Free, Reduced, and Paid meals to be reimbursed.

Creditable Foods - Foods that meet regulations governing the CACFP in terms of nutrient content, meal pattern requirements, standards of identity, and other foods that may be counted toward meeting the requirements for a reimbursable meal.

Current – Period within the past 12 months prior to the submission of an application to participate in the CACFP.

Current Income - Income received by the entire household during the month prior to completing a meal benefit form.

Cycle Menus - Set(s) of menus planned and rotated for at least a minimum of a four-week interval.

Daily Meal Production Records for Infants – A CACFP record the Sponsor uses to record formula and food(s) offered to infants.

Department of Economic Security (DES) - The State agency that administers Special Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF) and the Federal Child Care Development Block Grant (Title XX) subsidy under the Social Security Act for child care. A valid case number for SNAP or cash assistance should be 8 digits.

Example: 00012345 or 12345678

Department of Health Services (DHS) - The State agency designated by legislative authority of the State of Arizona to issue a license upon inspection and approval of a child care facility and its operations.

Economic Unit - A group of related or unrelated individuals sharing housing and/or all significant income and expenses.

Eligible Children/Child - (a) Person or persons 12 years old or younger, (b) Child(ren) of migrant workers 15 years old or younger, or (c) Mentally or physically disabled persons enrolled in a child care center serving a majority of persons 18 years old or younger.

Enrolled Child - A child whose parent or guardian has submitted a signed document to a child care center which indicates that the child is enrolled for child care.

Fiscal Year - A federal period of 12 calendar months beginning October 1 of any year and ending with September 30 of the following year.

Food and Nutrition Services (FNS) - The division of the USDA that administers the CNP at the federal level.

Food and Nutrition Services Regional Office (FNSRO) - One of the seven USDA regional offices that administer the CNP. Arizona is under the Western Region Office (WRO).

Food Service Vendor/Provider - A company or a public or private school with which a sponsor may contract for preparing and/or delivering meals for use in the CACFP.

Foster Care - A child placed in a foster home by the Arizona DES or an Arizona tribe. Foster care is a temporary arrangement for a child who cannot live safely with his/her birth family. Children in foster care live with their relatives, foster parents or, if neither of these are available, in group facilities.

Household (Family) - A group of related or unrelated individuals, who are not residents of an institution or boarding house, but who are living as one economic unit as defined under the definition of "economic unit".

Income Guidelines - Family size and income standards prescribed annually by the USDA based on the federal poverty guidelines of income at or below 130% for the Free category, income above 130% but, at or below 185% for the Reduced category, and income above 185% for the Paid category.

Income to the program - Any funds used in an institution's food service, including, but not limited to: all monies received from Federal, State, intermediate or local government sources; payment for children's meals and food service fees; income from any food sales to adults; and other income, including grants or cash donations from individuals or organizations.

Independent Center - A center which enters into an agreement with the State Agency to assume final administrative and financial responsibility for the CACFP operations.

Infant Cereal – Any iron-fortified dry cereal specially formulated for and generally recognized as cereal for infants that is routinely mixed with formula or milk prior to consumption.

Infant Feeding Preference – A CACFP record that a parent can complete to decline any of the infant meal components being offered by the center. For infants 8-11 months old, the center must provide at least one component in order for the meal to be reimbursable.

Infant Formula – Any iron-fortified infant formula, intended for dietary use as a sole source of food for normal, healthy infants served in liquid state at manufacturer's recommended dilution.

Institution - A sponsoring organization, child care center, preschool, outside-school-hours care center or adult day care center which enters into an agreement with the State Agency to assume final administrative and financial responsibility for the CACFP operations.

Internal Revenue Service (IRS) - The Federal agency that grants non-profit, tax-exempt status to sponsoring organizations.

Meal Benefit Form – A form completed by each household for a child(ren) enrolled in a child care center to determine eligibility for participation in the CACFP.

Meal Count Summary – A CACFP record the Sponsor uses to record the accumulative total of meal counts taken from the Point of Service Meal Count Sheet.

Meals - Food which is served to enrolled children in child care centers for breakfast, lunch, supper and snacks which meets the nutritional requirements as established by the CACFP and are claimed for reimbursement.

Milk - Pasteurized fluid types of unflavored or flavored milk, low-fat milk, skim milk, or cultured buttermilk which meets State and Local standards for such milk. All milk should contain vitamins A and D at levels specified by the Food and Drug Administration (FDA) and be consistent with State and Local standards for such milk.

Non-pricing Program – A meal service program in which there is no separate identifiable charge made for meals served to enrolled children.

Nonprofit Food Service - All food service operations conducted by the institution where all CACFP reimbursement funds are used solely for the operation or improvement of such food service.

Nonresidential - Enrolled children are not maintained in care for more than 24 hours on a regular basis.

Operational Duties/Costs - Necessary, Reasonable, and Allowable CACFP costs incurred by a Sponsor related to the preparation and serving of meals to children enrolled in the CACFP. Operational duties include costs toward "Labor," "Benefits," "Food," "Supplies/Equipment," "Rent/Mortgage," "Contracted Services," and "Utilities."

Operational Personnel - Include teachers and cooks involved in the preparation and serving of meals to children enrolled in the CACFP.

Outside-School-Hours Center - Nonprofit, public or private organization or school, or a proprietary Title XX center, as defined under these definitions, licensed or approved to provide organized nonresidential child care services to enrolled children outside of school hours. Outside-school-hours care centers may participate in the CACFP as independent centers or under the auspices of a sponsoring organization.

Permanent Agreement – The permanent agreement is an official agreement between a child care institution and the State Agency for the purpose of operating the CACFP in compliance with the regulations governing the CNP. This document provides ADE with a list of all authorized signers. A copy should be kept in a permanent file.

Point of Service Meal Count – The Point of Service Meal Count verifies the child's attendance to participate in the consumption of a meal or snack. As children begin to eat their meal or snack it is at this point of their consumption the Point of Service Meal Count is recorded by staff on the Point of Service Meal Count Sheet. The Point of Service Meal Count is not to be documented after the meal or snack is consumed or at the end of the day.

Point of Service Meal Count Sheet – Documents the "Point of Service Meal Counts" by verifying the child's attendance to participate in the consumption of a meal or snack.

Program - The CACFP authorized by Section 17 of the National School Lunch Act.

Program Year - A federal year as defined under the definition of "fiscal year". CACFP's fiscal year is October 1 – September 31.

Proprietary Title XX (DES/Child Care Subsidies) Center - Any private, for-profit center: (a) providing nonresidential day care services for which it receives compensation from Title XX of the Social Security Act, and (b) in which no less than 25% of the enrolled children or the license capacity are Title XX beneficiaries during the calendar month preceding initial application or annual renewal application for Program participation, or during any month for which reimbursement is claimed.

Reimbursement - Federal financial assistance paid to institutions for preparing and serving creditable meals or snacks to enrolled children.

Seriously Deficient — The status of an organization that has been determined to be noncompliant in one or more aspects of its operation of the CACFP.

Shift Care - Term used to describe caring for children during different time periods of the day, not exceeding the approved license capacity at any one time. For example, a center that cares for 10 children between 7:30am-2:30pm and another group of children from 2:30pm-5:00pm after the first group goes home is providing shift care.

Site – Is the physical location of the Public or Private Organization responsible for the administration of the CACFP as defined under the definition of "Sponsoring Organization".

Specialist of the Day – A CACFP specialist that has been assigned a specific day of the month to receive incoming calls and assist Sponsors.

Sponsoring Organization (SO) - A Public or Nonprofit Private Organization which is entirely responsible for the administration of the CACFP in: (a) one or more day care homes, (b) a child care center or outside-school-hours care center which is a legally distinct entity from the sponsoring organization, (c) two or more child care centers or outside-school-hours centers, or (d) any combination of child care centers, day care homes, and outside-school-hours care centers. The term "Sponsoring Organization" also includes a for-profit organization which is entirely responsible for administration of the Program in any combination of two or more care centers and outside-school-hours care centers which are part of the same legal entity as the sponsoring organization, and which are for-profit Title XX centers.

State Agency (SA) - The agency designated by the legislative authority of the USDA to administer the CACFP.

Title XX – The DES's Child Care Administration's subsidized Child Care Program.

Time Distribution Report – A form used to document the amount of time spent performing Food Service and Non-Food Services tasks for each day of the month. This information is used to establish the portion of costs that may be claimed as food service labor.

United States Department of Agriculture (USDA) – Is the Federal agency responsible for the administration of the CNP.

Section 1.3: Administration

At the national level, the USDA administers the CACFP. The national office develops regulations, publications, and forms, and establishes the policies necessary to carry out the Program. The national office is also responsible for oversight of the Program and providing guidance to ensure delivery of Program benefits to eligible children.

The Arizona Department of Education is the State Agency which administers the CACFP in Arizona.

PHYSICAL ADDRESS

**Arizona Department of Education
Health & Nutrition Services
3300 North Central Avenue
19th Floor
Phoenix, AZ 85012
TEL: (602) 542-8700
FAX: (602) 542-3818 or (602) 542-1531**

MAILING ADDRESS

**Arizona Department of Education
Health & Nutrition Services, Bin # 7
1535 West Jefferson Street
Phoenix, AZ 85007**

CACFP ARIZONA WEBSITE

<http://www.azed.gov/health-nutrition/cacfp/>

OTHER HELPFUL WEBSITES

Training Registration: www.ade.az.gov/onlineregistration

Code of Federal Regulations (search for 7 CFR 226):

www.gpoaccess.gov/cfr/index.html

FNS Instructions (796-2 rev. 4): www.fns.usda.gov/sites/default/files/796-2%20Rev%204.pdf

CHILD NUTRITION PROGRAM'S SUPPORTING UNITS

Business & Financial Services:

Accounting Unit / Financial & Claims Unit

(602) 542-5300

(602) 364-2303

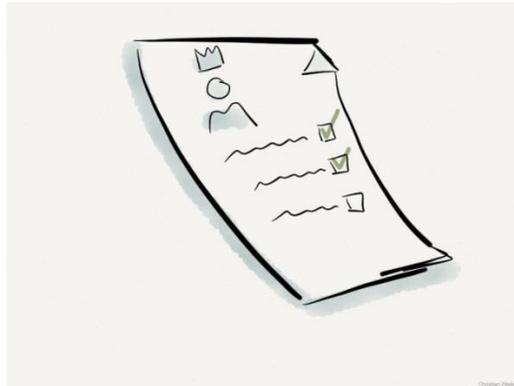
Section 1.4: Administrative Guidance

The following guidance will be provided from CACFP staff when organizations participate in the CACFP:

- Training on program compliance and requirements, application procedures, food program administration procedures, nutrition education, and serving it safe training.
- Monitoring of child care centers to ensure that the food program is administered in accordance with Program regulations and requirements.
- Technical assistance and consultation.
- Information on audit and administrative review requirements.
- Timely application processing.
- Reimbursement for eligible meals.
- Forms, publications and guidelines to assist with Program operations.
- Procedures for child care centers to appeal decisions affecting participation or reimbursement.
- Procedures to ensure that child care centers do not discriminate on the basis of national origin, race, color, gender, age, disability. (Not all prohibited bases apply to all programs.)
- Distribution of CACFP guidance and resource materials.

CHAPTER 2

Eligibility Requirements



ELIGIBILITY REQUIREMENTS

CHAPTER 2

Section 2.1: Eligible Participants

Institutions with one or a combination of the following types of facilities may participate in the CACFP.

- Child Care Centers/Preschools
- Outside-Schools-Hours Centers
- Head Start Programs
- Emergency Shelters
- At-Risk After School Snack Programs
- Adult Day Care Centers (refer to Adult Center Compliance Manual)

An institution that claims meals that are reimbursed under the School Breakfast Program (SBP), National School Lunch Program (NSLP) and Summer Food Service Program (SFSP) are not eligible to claim those same meals under the CACFP. CACFP institutions that have sufficient changes in activities or enrollment or develop a separate food service program for children who are not enrolled in the CACFP, and also meet SFSP eligibility criteria, may be approved to participate in the SFSP. Institutions that are approved for both CACFP and SFSP must ensure that the same children are **not** served meals in both programs.

The institution must assume final administrative and financial responsibilities for all facilities that operate the CACFP.

Section 2.2: Non-profit Centers

Public or Private Non-Profit Centers must meet the following criteria to be eligible to participate in the CACFP:

- Provide non-residential child care.
- 25% of total enrollment must qualify for Title XX (DES) benefits,
OR
- 25% of total enrollment must qualify for Free and Reduced meals,
OR
- Area Eligible: located near a school where at least 25% of the total enrolled students are eligible for free or reduced priced meals. This information can be obtained from the following website: <http://www.azed.gov/health-nutrition/frpercentages/> . If the center is not in an area eligible location there must be an outreach policy indicating that Program information will be made available to local minority and grass roots organizations.
- Have tax-exempt status under the IRS Code Section 501(c) 3 (non-profits).
- Be licensed by DHS,
OR
- Centers complying with applicable procedures to renew their DHS licensing, Military Base Certification or Tribal Health Services Certification may participate in the CACFP during the renewal process unless ADE has information which indicates that renewal will be denied,
OR
- Meet DHS exemption.

Child Care Centers on Military Bases are eligible for CACFP participation. Centers operated by any branch of the military must submit a "Department of Defense Certificate To Operate License" from their Headquarters in place of the DHS licensing.

Child Care Centers on Indian Reservations are eligible for CACFP participation. Centers operating on Tribal Land must submit a "Tribal Environmental Health Service Certification Report" issued by Indian Health Services in place of DHS licensing.

Section 2.3: Proprietary Centers (For-Profit)

Proprietary or For-Profit centers must meet the following criteria to be eligible to participate in the CACFP:

- Provide non-residential child care.
- 25% of total enrollment must qualify for Title XX benefits,
OR
- 25% of total enrollment must qualify for Free and Reduced meals.
- Be licensed by DHS,
OR
- Centers complying with applicable procedures to renew their DHS licensing, Military Base Certification or Tribal Health Services Certification may participate in the CACFP during the renewal process unless ADE has information which indicates that renewal will be denied,
OR
- Meet DHS exemption.

For each month the institution submits a claim for reimbursement, 25% of enrolled children or license capacity, whichever is less, must be determined as Title XX recipients. If less than 25% of the enrolled children or the license capacity are Title XX recipients, the institution cannot claim meals for that month. For the purposes of the CACFP, being enrolled is defined as any child who has documentation of enrollment and who attended at least one day during the month.

Section 2.4: Outside-School-Hours Centers (OSHC)

The requirements of **outside-school-hours centers** or **programs** are essentially the same as required for child care centers. Outside-school-hours care centers may apply as an independent institution or under the jurisdiction of a sponsoring organization. An OSHC must meet the following criteria to be eligible to participate in the CACFP:

- May not operate under the CACFP on weekends.
- Be a public or private non-profit center as described in Section 2.2.
- Provide organized child care services outside of school hours to enrolled school-age children twelve years and younger.
- Be licensed by DHS,
OR
- Centers complying with applicable procedures to renew their DHS licensing, Military Base Certification or Tribal Health Services Certification may participate in the CACFP during the renewal process unless ADE has information which indicates that renewal will be denied,
OR
- Meet DHS exemption.

Section 2.5: Head Start Programs

The requirements for Head Start Programs are essentially the same as the requirements for child care centers.

- Provide non-residential child care.
- Be a public or private non-profit center as described in Section 2.2.
- Be licensed by DHS,

OR

Head Start Programs on Indian Reservation must have current sanitation permits or environmental health surveys issued by Indian Health Services or demonstrate compliance with applicable State or local child care standards to ADE. Centers complying with applicable procedures to renew their DHS licensing, or Tribal Health Services Certification may participate in the CACFP during the renewal process unless ADE has information which indicates that renewal will be denied.

Section 2.6: Emergency Shelters

Emergency shelters must meet the following criteria to be eligible to participate in the CACFP:

- Be a private non-profit organization, state or local government, or other public entity. Private non-profit sponsors and shelters must have tax-exempt status under the IRS Code of Section 501 (c)(3).
- Provide temporary shelter to homeless children age 18 years old and younger.
- Operate a congregate (group) meal service in their shelters.
- Sites or shelters must meet applicable State and local health, safety and sanitation standards.

Residential Child Care Institutions (RCCI)

RCCIs provide residential care and other services for children with specific needs, often on a long-term basis. RCCIs are designated as schools in section 12(d)(5) of the NSLA (42 U.S.C. 1760(d)(5)). For this reason, meal benefits for RCCI residents are provided through the school nutrition programs if the RCCI meets the definition of School in Sec. 210.2 of the National School Lunch Program (NSLP) regulations. Examples of RCCIs that may participate in the NSLP include homes for the mentally, emotionally or physically impaired, homes for unmarried mothers and their infants, halfway houses, orphanages, temporary shelters for abused and runaway children, long-term care facilities for chronically ill children, and juvenile detention centers. Given the purpose and structure of most RCCIs, it is unlikely that many will qualify for CACFP participation as emergency shelters based on their regular program and curriculum. However, **RCCIs that operate emergency shelter sites for homeless children or battered women and their children may be eligible, provided that the sites, including sites that are co-located within the RCCI facility, serve a distinct group of children who are not enrolled in the RCCI's regular program.**

Section 2.7: At-Risk After School Meals Programs

The CACFP offers reimbursement to help organizations serve snacks and meals to children in after school care programs. After school meals give children a nutritional boost and encourage participation in supervised activities that are safe, fun, and filled with learning opportunities. The intent of the At-Risk After School Meals Program is to assist organizations that operate organized programs of care, which include educational or enrichment activities known to reduce or prevent children's involvement in juvenile crime or other high-risk behavior. After school programs can claim reimbursement for up to one snack and one meal (usually supper) per day for school age children who are 18 years old and younger at the start of the school year; if a student's eighteenth birthday occurs during the school year, reimbursement can be claimed for snacks/meals served to the student for the remainder of the school year.

Public or private organizations, including schools must meet the following criteria to be eligible to participate in the after school component of the CACFP.

- Provide regularly scheduled activities to children age 18 years old and younger in an organized and supervised environment.
- Include educational or enrichment activities.
- Be *area eligible* (i.e., located within the attendance area of a school [elementary, middle, or secondary] in which 50% or more of the school's enrollment is determined eligible to receive free and reduced-price meals). This information can be obtained from the following website: <http://www.azed.gov/health-nutrition/frpercentages/>
 - To Establish Area Eligibility: The At Risk center must submit the following written information to CACFP:
 - The name and telephone number of the independent school district.
 - The name of the school within the independent school district being used to determine area eligibility.
 - Written plan of enrichment or educational activities provided to participants while in attendance.
 - Once the At- Risk After School Area Eligibility is validated, the eligibility determination is valid for five years.
- Meet State and local health and safety standards.

Organized athletic programs engaged in competitive interscholastic or community level sports (i.e. *Pop Warner*, area swim teams, community soccer leagues, dance workshops, etc.) are not eligible to receive after school snack reimbursement under the CACFP.

After school programs with an athletic component that is open to all and does not limit

participation for reasons other than space, security, or licensing requirements, and uses sports and recreational activities to provide constructive opportunities to youths in the community may participate.

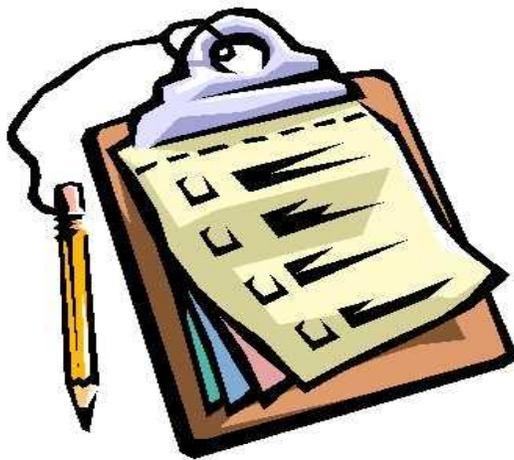
Reimbursement under the at-risk after school meals component of the CACFP is limited to one snack and one meal per child per day and are reimbursed at the Free rate. Snacks and meals served to children who attend a child care center after their school day has ended may qualify for the at-risk after school meal reimbursement rate provided the center is area eligible.

A site may claim reimbursement for meals and snacks served during the regular school year, including weekends, holidays, spring break, and fall break. Meals and snacks served during summer vacation are not eligible for reimbursement in the At-Risk After School Meals Program. In areas where school operates on a year-round basis, at risk after school care programs may receive reimbursement for meals/snacks through the CACFP all year.

****NOTE:** Child care centers may participate in both the traditional CACFP and the At-Risk After School Meals Program, but no child may be claimed for more than a total of two meals and one snack, two snacks and one meal, or three snacks per day. Children enrolled in a child care center who do not attend school would continue to participate under the traditional CACFP meal service.

CHAPTER 3

Application Process



APPLICATION PROCESS

CHAPTER 3

Section 3.1: Application for Participation

An application for participation in the CACFP must be submitted to ADE for approval. Once an institution has completed an initial application, it must also complete a renewal application at the start of every fiscal year. The fiscal year runs October 1st of the current year through September 30th of the following year. Application for participation in the CACFP must be submitted using a hard copy application. To obtain a hard copy application, at least one representative from the applying organization must complete required trainings. Once these trainings are complete, a hard copy application will either be emailed or mailed to the address (es) given on the registration forms. It is recommended that the owner and/or director attend all three trainings. Detailed instructions for completing and submitting all of the required documentation are provided with the application.

- No more than three months (90 days) may elapse between the time the trainings are completed and the time the new application is submitted to ADE for approval. If more than 90 days pass, you will be required to re-attend the trainings.
- A new application may not be submitted prior to a center being open and operating.
- **Accurately completed applications received by ADE/CNP will be processed within 30 days (Note: a typical application takes approximately two months to process due to missing or incomplete information during the initial submission. Be sure to complete and submit all required application materials to ensure faster processing.)**
- Applicant will be notified by CACFP staff if the application is incorrect or missing information.
- Applicant shall keep a copy of the application.
- An institution may request an appeal if the application was denied.

An application will include the following documents:

- CACFP Center Sponsor Application (one)
- CACFP Center Site Application, two pages (one per site)
- Computer Generated Meal Count Agreement (if applicable)
- Application & Management Plan-Budget (including balance sheet)
- Organizational Chart
- List of Board of Directors (names and addresses)
- Copy of Outside Employment Policy
- Copy of One Month's Menus to be approved by State Agency
- Procurement Standards & Guidelines (signed)
- Permanent Agreement (**two** signed originals)
- Civil Rights Pre-Award Compliance Review
- Civil Rights Compliance Data Collection
- Free and Reduced Price Policy Statement
- Confirmation of Press Release sent to Media
- AZ W-9 Tax Form
- Copy of Food Service Vendor Contract (if using a caterer/school district for food service)
- CNP Web/Common Logon Security Agreement (permanent file)
- Business, Nutrition, and Computer Track Training Certificates (copies)
- Adding, Changing, Delete Form

COPY ALL DOCUMENTS BEFORE SUBMITTING AND RETAIN FOR YOUR CACFP RECORDS!

Section 3.2. Additional Application Requirements

In addition to the information discussed in Section 3.1, the following information must be submitted as it applies (Note: This list is not all inclusive):

- **License or Approval**

The CACFP requires facilities that operate the CACFP be licensed or approved by Federal, State or local authorities. License or approval documents must be current. Sponsors whose license or approval have been suspended or revoked must notify ADE immediately. The following documentation must be submitted to meet license or approval requirements:

- DHS License – Facilities inspected and approved by DHS to operate may include, but are not limited to, child care centers, preschools, Head Start centers, outside-school-hours centers, and non-residential homeless shelters.
Renewing organizations only: A copy of the compliance evaluation report may be submitted if the institution has not yet received the official license. It is the responsibility of the institution to provide ADE a copy of the official license once it is received. If DHS denies issuance of, or revokes a license, the institution must notify ADE immediately. ADE shall terminate the participation of the institution until such time a license is issued.

OR

- Meets DHS exemption.

OR

- Environmental Health Survey or Sanitation and Building Permit – Child care facilities on Indian Reservations regulated by Indian Health Services must submit copies of the survey or permit.

- **Tax-Exempt Status**

In order to participate in CACFP as a non-profit organization, institutions must submit documentation that they have obtained tax-exempt status under the IRS Code Section 501(c)(3). Institutions moving toward compliance with the requirements for tax-exempt status may participate in the Program as a proprietary center, provided the Title XX requirement is met, until tax-exempt status is obtained. For more information on the Title XX requirement, please refer to section 2.3

Section 3.3: Application Changes

Institutions participating in the CACFP must complete all information required for application approval. Once the application has been approved, changes throughout the current fiscal year may be completed online or submitted in writing to ADE.

The institution shall update its information if the following changes occur:

- Address(es)
- Telephone number(s)
- Email address(es)
- Name change(s) or program contact(s)
- Adding or terminating/dropping site(s)
- Adding or discontinuing a meal and/or snack
- License/approval status
- Licensed or approved capacity
- Tax-exempt status
- Management
- Other changes affecting reimbursement
- Authorized signers (if applicable)
- Change in approved meal times

Participation in the CACFP is non-transferable and is not part of a sale (i.e., change of ownership). New owners or owners with status change that requires a new license from the Arizona Department of Health Services (DHS) must submit a new Program application. An institution must notify the ADE in writing 30 days in advance pending a status change in any of the following:

- Ownership – The sale or the intent to sell the child care business or child care facility.
- Management – Changes such as, but not limited to, from sole proprietorship to partnership, from corporation to incorporation, from sole proprietorship to incorporation, or any other change in legal status.
- Tax-filing status – The change affecting the Federal Tax Identification number or Employer Identification number.
- License or approval status - A change that may affect ownership, management and/or tax-filing status.

Section 3.4: Addition of New Sites

Institutions may add additional sites to their application at any time during the fiscal year. Prior to CACFP participation, an institution must:

- Conduct a monitoring visit at the proposed site and complete the "Monitoring/New Site Pre-Approval Form" Completed monitoring form must be submitted to ADE.
 - <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/>
- Provide on-site training to staff members at the proposed new site. Training must include the benefits of CACFP participation, Program duties and responsibilities. Institutions must maintain staff training records which shall include the training agenda and sign in sheets.
- Update the monitoring plan to include the new site. Sponsoring organizations with multiple sites must conduct monitoring visits to assess compliance with meal patterns, record-keeping and other Program requirements. One copy of the monitoring forms must be maintained at the site and one copy in the Sponsoring Organization's permanent files.
- Collect current CACFP Meal Benefit Forms for Free and Reduced-Price Meals" for every child that attends the center. CACFP Meal Benefit Forms must be maintained in your permanent records folder. This is not applicable for Head Starts, Emergency Shelters, or At-Risk Afterschool Meal Programs.
- Complete a "CACFP Center Site Application" for the new site and submit to ADE. Maintain a copy of the form in your permanent records.
- 6. Complete the "Sponsor--Add/Change/Delete Data Form" to add a new site to the CACFP Program. Maintain a copy of the form for your records and submit the original copy to ADE. Do not complete sections where "ADE USE ONLY" is indicated.
- 7. Complete the "Site--Add/Change/Delete Data Form" to add a new site to the CACFP Program. Maintain a copy of the form for your records and submit the original copy to ADE. Do not complete sections where "ADE USE ONLY" is indicated.

Items to be submitted to ADE (see above):

The following documents must be received by the ADE in order to initiate participation in the

CACFP by the new site:

- Completed CACFP Center Site Application
- A copy of the current DHS license
- Monitoring form
- Add/Change/Delete Form

Section 3.5: Application Renewal

An application for CACFP participation must be submitted to ADE annually. Applications for the new fiscal year are due by October 1st (or the first business day of October).

Renewal applications are similar to the initial application. ADE provides sponsors the application and other required materials to renew participation each year. Renewal applications must be submitted as a hard copy application. Once the hard copy is approved, the site and sponsor application must be updated and submitted in the Child Nutrition Program (CNP) Web. The following is a list of items that are required as part of a renewal application (Note: this list is not all-inclusive).

- Application Checklist
- Application and Management Plan (including all required attachments on page 4)
- Organizational Chart
- Copy of 3 Months Bank Statements
- Copy of Rental Lease (if building is rented) or Depreciation Schedule (if building is owned)
- Renewal Training Certificate (copy)
- Copy of current DHS License (or proof that license renewal is being processed)
- Copy of Food Service Vendor Contract (if using a caterer/school district for food service)
- Procurement Standards and Guidelines (signed)
- Civil Rights Pre-Award Compliance Review
- Civil Rights Data Collection

COPY ALL DOCUMENTS BEFORE SUBMITTING AND RETAIN FOR YOUR CACFP RECORDS!

CHAPTER 4

Reimbursement System



REIMBURSEMENT SYSTEM

CHAPTER 4

Section 4.1: Reimbursement Rates

Reimbursement rates are determined annually by the Federal Government. The reimbursement offered through CACFP is for the operation of a food service program that provides meals/snacks served to enrolled children who participate in the CACFP. The ADE/CNP notifies institutions of the CACFP reimbursement rates for the period beginning July 1st of the current year through June 30th of the following year. The reimbursement rates are based on changes in the Consumer Price Index of the preceding year and published in the Federal Register by the USDA. Current reimbursement rates are available on the CACFP website at <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/> (click on current fiscal year's "Application and Recordkeeping Forms"). A hard copy of the reimbursement rates is included in the CACFP application materials.

Approved CACFP institutions receive cash-in-lieu (CIL) of commodities as additional assistance for each lunch or supper served. Current CIL rates are noted with the reimbursement rates.

When a CACFP monthly site claim for meals served to children is filed, the web based system automatically allocates a percentage of free, reduced and paid meals according to the reported participants in each category. Free or reduced eligibility is dependent on the family size and income level of the household of each enrolled child for that month. Institutions are responsible for maintaining current income eligibility information for each child enrolled in the center. For further information on maintaining income eligibility, please refer to the CACFP Eligibility Guidance Manual for Center-based Programs.

Section 4.2: Claiming Percentages

In order to determine the amount of reimbursement for each sponsor, ADE calculates a claiming percentage. Claiming percentages are calculated on a monthly basis and are dependent on the number of children classified as free, reduced or paid, divided by the total enrollment, then multiplied by the reimbursement rate per meal type. The following steps are used to establish the claiming percentage for a specific meal type:

$$\text{Step I: } \frac{\# \text{ of free children}}{\text{total enrollment}} = \underline{\text{X}} \# \text{ of meals served during the month} \times \text{meal reimbursement for free} = \text{A}$$

$$\text{Step II: } \frac{\# \text{ of reduced children}}{\text{total enrollment}} = \underline{\hspace{2cm}} \times \# \text{ of meals served during the month} \times \text{meal reimbursement for reduced} = \text{B}$$

$$\text{Step III: } \frac{\# \text{ of paid children}}{\text{total enrollment}} = \underline{\hspace{2cm}} \times \# \text{ of meals served during the month} \times \text{meal reimbursement for paid} = \text{C}$$

$$\text{Step IV: } \text{A} + \text{B} + \text{C} = \text{meal reimbursement for that month}$$

Example: You have 100 total children enrolled. 50 are free, 20 are reduced, and 30 are paid. At the end of the month, you determined that 750 Breakfasts, 125 AM Snacks, and 1050 Lunches were served (based on Meal Count Summary).

$$\begin{aligned} \text{Step I: } \frac{50}{100} &= 0.5 \text{ (or 50\%)} \times 750 \text{ Breakfasts} \times \$1.35^* = \$506.25 \\ \frac{50}{100} &= 0.5 \text{ (or 50\%)} \times 125 \text{ AM Snacks} \times \$0.68^* = \$42.50 \\ \frac{50}{100} &= 0.5 \text{ (or 50\%)} \times 1050 \text{ Lunches} \times \$2.47^* = \underline{\$1,296.75} \\ &\text{Total Free: } \$1,845.50 \end{aligned}$$

$$\begin{aligned} \text{Step II: } \frac{20}{100} &= 0.2 \text{ (or 20\%)} \times 750 \text{ Breakfasts} \times \$1.05^* = \$157.50 \\ \frac{20}{100} &= 0.2 \text{ (or 20\%)} \times 125 \text{ AM Snacks} \times \$0.34^* = \$8.50 \\ \frac{20}{100} &= 0.2 \text{ (or 20\%)} \times 1050 \text{ Lunches} \times \$2.07^* = \underline{\$434.70} \\ &\text{Total Reduced: } \$600.70 \end{aligned}$$

$$\begin{aligned} \text{Step III: } \frac{30}{100} &= 0.3 \text{ (or 30\%)} \times 750 \text{ Breakfasts} \times \$0.24^* = \$54.00 \\ \frac{30}{100} &= 0.3 \text{ (or 30\%)} \times 125 \text{ AM Snacks} \times \$0.06^* = \$2.25 \\ \frac{30}{100} &= 0.3 \text{ (or 30\%)} \times 1050 \text{ Lunches} \times \$0.23^* = \underline{\$72.45} \\ &\text{Total Paid: } \$128.70 \end{aligned}$$

$$\text{Step IV: } \$1,845.50 + \$600.70 + \$128.70 = \mathbf{\$2,574.90 \text{ in reimbursement}}$$

* Based on artificial rates. Be sure to use current rates to calculate

Section 4.3: Claims Processing

Claims for reimbursement must be submitted electronically via the internet at <https://www.ade.az.gov/CommonLogon/logon.aspx>. A Sponsor claim must be filed every month to report all administrative and operational costs. The Sponsor claim must be submitted first, followed by each site claim.

Claims for reimbursement are due to the ADE Finance/Operations Unit by the 10th of the month. Federal regulations allow ADE 45 days from submission of a valid claim to process that claim. Claims received after the 10th of the month risk not being processed until the next month's processing. If the 10th of the month falls on a weekend or holiday, the claim is due the following business day. Hard copy claims may not be submitted.

Claims that are filed electronically with any errors will not be accepted for submission by the web-based system. Once the claim is processed, the checks are generated and mailed to the address provided on the W-9 form. Direct deposit may be set up by completing ACH direct deposit application available from General Accounting Office at the following website:

http://www.gao.state.az.us/vendor/payment_options_home.asp.

The CACFP requires for-profit centers to maintain at least 25% Free/Reduced Price eligible children or Title XX recipients of the license capacity or enrollment, whichever is less, each month a claim is filed. To determine Title XX eligibility:

- Determine the number of enrolled children in attendance during the claim month. Children in attendance include part-time and drop-in care. All children in attendance must be included in the calculation regardless of whether they were claimed for a meal.
- Determine the number of enrolled Title XX children in attendance during the claim month. These are children on the DES Assists Billing Forms claimed for child care subsidy.
- Divide the Title XX children by the total number of children in attendance for the claim month. If this number is greater than or equal to .25 (25%), a claim may be submitted that month. If the number is less than .25, the center is not eligible to claim for that month.

Example: After reviewing the attendance records of the month of October, it is determined that 50 children came at least one day during the month. Of those 50 children, 12 were DES Title XX children.

$$12 \div 50 = .24 \text{ (24\%)}$$

If the for-profit center does not have 25% of the children determined to be eligible for Free or Reduced Priced meals and if the center does not have 25% of the enrolled children/license capacity, the center is not eligible to participate on CACFP for the month. There is no Title XX requirement for non-profit centers.

Institutions must have a current DHS license each month a claim is filed. ADE/CNP will not reimburse an institution that does not have a current license or for meals served in excess of license capacity at any one time.

Claims submitted via the internet can only be submitted by persons with current access to CNP Web via Common Logon. The username serves as an electronic signature.

Institutions with 10 days of food service or less in any month may combine the partial month claim with the preceding or subsequent full month claim for reimbursement. However, the partial claim may not be combined with the last month of a fiscal year (September) with the first month of the next fiscal year (October) or when reimbursement rates change (June cannot be combined with July). Also, if a claim combines a full month with a partial month, the submission deadline for the full month shall govern. For example, a Sponsor whose program year ends June 10 may combine meals served in June on the same claim with meals served in May. This May/June claim must be submitted as if it were strictly a May claim (i.e. 60 days from May 31).

Late Claims

A monthly claim for reimbursement, or upward claim revision, must be submitted to ADE within 60 calendar days from the last day of the claim month. Claims filed after 60 days that result in an increase in reimbursement will not be processed unless a one-time exception is requested. (Refer to Section 4.4.) Revised claims resulting in a reduction of reimbursement may be submitted to ADE at any time. Please contact the ADE Finance/Operations Unit if you wish to submit a downward revision after 60 days from the last day of the claim month.

Section 4.4: One-Time Exceptions

All claims or revised claims for reimbursement must be submitted within 60 calendar days from the end of the claiming month or claims cannot be paid. If they are not submitted within the 60-calendar-day period, the institution may request an exception in one of two ways listed below.

Circumstances Within The Sponsor's Control:

Each institution is allowed an exception for the submission of a late or revised claim that was within the institution's control as long as a similar exception has not been granted during the previous 36-month period. In order for the institution to receive this exception, the sponsor must submit an acceptable Corrective Action Plan (CAP) to ADE for approval. The CAP must contain the following:

- A description of the problem contributing to the lateness of the claim.
- Actions taken to avoid any future late claim submissions.
- A statement recognizing that the One Time Exception may be requested only every three years or a 36-month period, whichever is later.
- The signature of the person who entered into the agreement with the State to operate the program.

Upon receipt, the CAP will be reviewed to determine whether it sufficiently addresses the reason for lateness and the actions to remedy the late submission. Once the CAP is approved, the late claim will be processed for payment. If it is not approved, ADE will advise you of the deficiencies which need to be addressed.

Circumstance Beyond The Sponsor's Control:

If the institution's claim is late due to circumstances beyond the institution's control, the institution may submit the claim with detailed and documented evidence in writing. ADE will review the institution's documentation and send it to the USDA Regional Office for approval. The Regional Office will analyze the evidence and make the final determination as to whether the circumstances warrant payment. If USDA does not approve, the institution may still request the one-time exception described above.

CHAPTER 5

Recordkeeping



RECORDKEEPING

CHAPTER 5

Section 5.1: Application Information

Institutions are required to submit an application each year to participate in the CACFP. Based on the information submitted in the application, ADE/CNP creates a computer database for each child care center. The monthly claims for reimbursement submitted by the child care center are compared to the information in the database.

The institution shall notify ADE of changes regarding any information which could affect the claims for reimbursement or its participation in the CACFP (Refer to Section 3.4.). A delay in reimbursement may result for institutions who fail to notify ADE of any changes.

Institutions are required to maintain records for a period of five years to support monthly claims for reimbursement and compliance with Program requirements. If administrative review or audit findings have not been resolved, the records shall be retained beyond the end of the five-year period until such issues raised are resolved.

All accounts and records pertaining to the CACFP shall be made available upon request to representatives of the ADE-CACFP, the USDA, or the U.S. General Accounting Office for audit or review, at a reasonable time and place. If records are unavailable to support claims for meals paid for reimbursement, all meals will be disallowed which will result in an overpayment for which the sponsor will be responsible. The sponsor will then be listed as seriously deficient.

Section 5.2: Attendance

Sign-In/Sign-Out Records

Attendance records must be maintained as part of the monthly CACFP recordkeeping. Standard sign-in/sign out records or an automated sign-in/sign-out system is acceptable. Prior to using automated sign in/sign out records, an ADE approved computer generated meal count agreement must be on file. Automated sign-in/sign-out records must be signed at least weekly by the parent/guardian if the institution is not utilizing a back-up attendance record.

Names on sign-in/out sheets, meal benefit forms and claiming rosters must all match. Records should be kept in alphabetical order and children listed on claiming rosters should also be listed in alphabetical order.

Meal Benefit Forms contain confidential information and therefore should be kept secured; preferably locked up. Access to the affidavits should be restricted to supervisory staff only.

Enrollment Records (Emergency/Enrollment Forms 'Blue Cards')

All children in care and claimed for reimbursement must be enrolled. Drop-ins must also have enrollment records on file. The number of children enrolled is the total number of children who attended the center during the claim month, regardless of whether or not they ate a meal. Enrollment Records must be updated at least annually. If address, phone number or emergency contact changes then a new form must be completed.

Meal Benefit Forms

A meal benefit form or eligibility documentation (i.e. Head Start eligibility) must be on file for each child listed on the Free or Reduced Claiming Percentage Rosters. Meal benefit forms are completed, signed and dated on or after July 1 are valid for a period of one year, ending June 30. Affidavits may be distributed no sooner than 30 days prior to July 1st (June 1st). Staff members are not to complete any part of the meal benefit form on behalf of the person who signs the document. For more information on maintaining income eligibility, please refer to the *CACFP Eligibility Guidance Manual for Center-based Programs*. The following list of items is required on all meal benefit forms approved in either the free or reduced categories.

- Part 1: Name, age, and date of birth for all children enrolled in center (if income eligible).
- Part 2: Name, age, date of birth, and case number for all children enrolled in center (if categorically eligible). The case number will be 8 digits (may have preceding zeros) and is applicable if the family receives Food Stamps, Cash Assistance (TANF), or Food Distribution Program on Indian Reservations (FDPIR).

This is not to be confused with Child Care Subsidies obtained through the Child Care Administration.

- Part 3: Income of all household members (if not categorically eligible).
- Part 4: Name, age, date of birth, and any income received for foster care (for foster children only). If a household has both biological children and foster children, separate meal benefit forms must be completed. If there are multiple foster children in a household, a separate meal benefit form must be on file for each child, unless it is a sibling group.
- Part 5: Contact information, signature and the last four digits of the signer's social security number (or the word "none" if no SSN). This section should also be dated.

Meal benefit forms must include the parent letter on the back, be current for the fiscal year, and be signed and approved by the appropriate staff.

CACFP MEAL BENEFIT INCOME ELIGIBILITY LETTER
(CHILD CARE CENTER)

Dear Parent/Guardian:

This letter is intended for parents or guardians of children enrolled in a child care center. This center offers healthy meals to all enrolled children as part of our participation in the U.S. Department of Agriculture's (USDA) Child and Adult Care Food Program (CACFP). The CACFP provides reimbursements for healthy meals and snacks served to children enrolled in child care. A household with income less than or equal to the income chart for reduced-priced meals below is eligible for free or reduced-priced meals:

Household size	Yearly
1	\$21,257
2	\$28,694
3	\$36,131
4	\$43,568
5	\$51,005
6	\$58,442
7	\$65,879
8	\$73,316
Each additional person:	\$ 7,437

Please help us comply with the requirements of the CACFP by completing the attached Meal Benefit Income Eligibility Form. In order for the center to be considered eligible for free and reduced-price meals based on income, an application must contain complete documentation of eligibility information including total current household income, names of all household members, the social security numbers of the household member who signs the application, and the date and signature of the adult household member who completed the application. The information will be kept confidential and only available to staff directly connected with administering the CACFP.

If a child is a foster child or a member of a SNAP or FDPIR household or is a TANF recipient, the child is automatically eligible to receive free Program meal benefits, subject to the completion of this application. If a child is a Head Start participant, the child is automatically eligible to receive free Program meal benefits, subject to submission by Head Start officials of a Head Start statement of income eligibility documentation. Family members who become unemployed are eligible for free or reduced-price meals during the period of unemployment; provided that the loss of income causes the family income during the period of unemployment to be eligible for those meals.

Privacy Act Statement (This explains how we will use the information you give us): The Richard B. Russell National School Lunch Act requires the information on this application. You do not have to provide the information, but if you do not, we cannot approve the participant for free or reduced price meals. You must include the last four digits of the Social Security Number of the adult household member who signs the application. The Social Security Number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) Program or Food Distribution Program on Indian Reservations (FDPIR) case number for the participant or other (FDPIR) identifier or when you indicate that the adult household member signing the application does not have a Social Security Number. We will use your information to determine if the participant is eligible for free or reduced price meals, and for administration and enforcement of the Program.

Non-discrimination Statement (This explains what to do if you believe you have been treated unfairly): "In accordance with Federal Law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of Adjudication, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call toll free (866) 632-9992 (Voice). Individuals who are hearing impaired or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339; or (800) 845-6136 (Spanish). USDA is an equal opportunity provider and employer."

Part 1. All Household Members (including enrolled children): Request additional sheets if necessary.

Names of all household members (First, Middle Initial, Last)	DATE OF BIRTH (MMDDYY)	CHECK IF A FOSTER CHILD (THE LEGAL RESPONSIBILITY OF A WELFARE AGENCY OR COURT). IF ALL CHILDREN LISTED BELOW ARE FOSTER CHILDREN, SKIP TO PART 4 TO SIGN THIS FORM.	CHECK IF NO INCOME
Adult Household Member #1:		<input type="checkbox"/>	<input type="checkbox"/>
Adult Household Member #2:		<input type="checkbox"/>	<input type="checkbox"/>
Adult Household Member #3:		<input type="checkbox"/>	<input type="checkbox"/>
Child #1:		<input type="checkbox"/>	<input type="checkbox"/>
Child #2:		<input type="checkbox"/>	<input type="checkbox"/>
Child #3:		<input type="checkbox"/>	<input type="checkbox"/>
Child #4:		<input type="checkbox"/>	<input type="checkbox"/>

Part 2. Benefits: If any member of your household receives SNAP, FDIPIR, or TANF, provide the name and case number for the person who receives benefits and skip to part 4. If no one receives these benefits, skip to part 3.
NAME: _____ CASE NUMBER: _____

Part 3. Total Household Gross Income (income before any deductions) You must tell us how much and how often:

A. Name (List only household members with income)	B. Gross income and how often it is received: identify weekly, every other week, monthly, yearly...			
	1. Earnings from work before deductions	2. Welfare, child support, alimony	3. Pensions, retirement, Social Security, SSI, VA benefits	4. All Other Income
	how much/how often	how much/how often	how much/how often	how much/how often
	\$ ____/____	\$ ____/____	\$ ____/____	\$ ____/____
	\$ ____/____	\$ ____/____	\$ ____/____	\$ ____/____
	\$ ____/____	\$ ____/____	\$ ____/____	\$ ____/____
	\$ ____/____	\$ ____/____	\$ ____/____	\$ ____/____
	\$ ____/____	\$ ____/____	\$ ____/____	\$ ____/____

Part 4. Signature and last four digits of Social Security Number: An adult household member must sign this form. If Part 3 is completed, the adult signing the form must also list the last four digits of his or her Social Security Number or write the word None if the signer doesn't have a Social Security Number. (See Privacy Act Statement on the back of this page.)

I certify that all information on this form is true and that all income is reported. I understand that the center will get Federal funds based on the information I give. I understand that CACFP officials may verify the information. I understand that if I purposely give false information, the participant receiving meals may lose the meal benefits, and I may be prosecuted.

Sign here: _____ Print name: _____ Date: _____
Address: _____ Phone Number: _____
City: _____ State: _____ Zip Code: _____

Last four digits of Social Security Number: ____-____-____-____. If no SSN, write the word "NONE" _____

Part 5. If any child you are applying for is homeless, migrant, or a runaway check the appropriate box and call your school, homeless liaison, or migrant coordinator
Homeless Migrant Runaway

Part 6. Participant's ethnic and racial identities (optional):

Mark one ethnic identity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Mark one or more racial identities: <input type="checkbox"/> Asian <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Native Hawaiian or Other Pacific Islander
---	--

Don't fill out this part. This is for official use only:

Annual Income Conversion: Weekly x 52, Every 2 Weeks x 26, Twice A Month x 24, Monthly x 12

Total Income: _____ Per: Week, Every 2 Weeks, Twice A Month, Month, Year Household size: _____

Categorical Income Eligibility: Free _____ Reduced _____ Paid _____

Foster Child Eligibility: Free _____

Determining Official's Signature: _____ Date: _____

Confirming Official's Signature: _____ Date: _____

(For Determining Official's Use Only)

USDA Child Nutrition Program

Income Guidelines

July 1, 2014-June 30, 2015

FREE

REDUCED

HOW OFTEN INCOME WAS RECEIVED						HOW OFTEN INCOME WAS RECEIVED					
Family Size:	Year	Month	Twice Per Month	Every Two Weeks	Week	Family Size:	Year	Month	Twice Per Month	Every Two Weeks	Week
1	\$15,171	1,265	633	584	292	1	\$21,590	1,800	900	831	416
	20,449	1,705	853	787	394	2	29,101	2,426	1,213	1,120	560
3	25,727	2,144	1,072	990	495	3	36,612	3,051	1,526	1,409	705
4	31,005	2,584	1,292	1,193	597	4	44,123	3,677	1,839	1,698	849
5	36,283	3,024	1,512	1,396	698	5	51,634	4,303	2,152	1,986	993
6	41,561	3,464	1,732	1,599	800	6	59,145	4,929	2,465	2,275	1,138
7	46,839	3,904	1,952	1,802	901	7	66,656	5,555	2,778	2,564	1,282
8	52,117	4,344	2,172	2,005	1,003	8	74,167	6,181	3,091	2,853	1,427
Each Additional Member Add:	+5,278	+440	+220	+203	+102	Each Addt' Member Add:	+7,511	+626	+313	+289	+145

Claiming Percentage Rosters are used to track the number of eligible participants in the free, reduced, and paid categories. These must be tracked on a monthly basis and attendance must be verified for each claim month. Below is a snapshot of a completed claiming roster.

List participants qualifying for _____ meals:

Name		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Last First													
AAA, Johnny		X	X	X		X	X	X	X	X	X	X	X
BBB, Daisy		X	X				X	X	X				
CCC, Chelsea		X	X	X	X	X	X	X	X	X	X	X	X
DDD, Marc			X	X	X	X							

Section 5.3: Title XX

Title XX Records (applicable to for-profit centers)

For each month a claim is filed for reimbursement, the center must verify that at least 25% of the total enrolled children or license capacity, whichever is less, are Title XX beneficiaries (DES Subsidized Child Care Participants). A center must have at least 25% of enrolled children at a Free or Reduced cost OR 25% Title XX eligibility. **If the 25% Title XX criteria and the 25% Free/Reduced Price eligibility is not met for any given month, that center cannot file a claim for that month.** To be counted as a Title XX beneficiary, a child must be claimed for at least one day on the monthly DES assist billing form.

Section 5.4: Infants

Child care centers must offer program meals to ALL eligible children, including infants. The CACFP does not discriminate in any aspect of the delivery of program benefits. This includes the "inequitable allocation of Program (CACFP) benefits or services to eligible children on the basis of race, color, national origin, sex, **age** or handicap [disability]" - (FNS Instruction 113-4 XII A 2). For more information regarding infant requirements, refer to Chapter 7.

Infant Feeding Records

- Complete Daily Meal Production Record for Infants by:
 1. Check food items offered, not consumed.
 2. Specify food items (where applicable).
 3. Adding up meals to be claimed and transfer to Meal Count Summary. Below is a sample Daily Meal Production Record for Infants:

INSTRUCTIONS:

- Record the names of the infant(s) being served the meal
- Use a (√) where indicated
- Record the kind of fruit/vegetable or meat served
- Indicate by circling specific meals/snacks that will be claimed for reimbursement
- All formula and infant cereal served must be iron fortified
- Record infant totals each day and transfer to Daily Meal Count Summary Sheet
- IFC = Infant Cereal

***Adopted from New Mexico CACFP form**

NAMES 0-3 months	Breakfast	AM	Lunch	PM	Supper
	Formula or Breast Milk 4-6 oz (√)				
Sarah H.	√	√	√		
John B.	√		√	√	

NAMES 4-7 months	Breakfast		AM	Lunch			PM	Supper		
	Formula or Breast Milk 4-8 oz (√)	IFC 0-3 T (√)	Formula or Breast Milk 4-6 oz (√)	Formula or Breast Milk 4-8 oz (√)	Veg./Fruit 0- 3 T Specify	IFC 0-3 T (√)	Formula or Breast Milk 4-6 oz (√)	Formula or Breast Milk 4-8 oz (√)	Veg./Fruit 0-3 T Specify	IFC 0-3 T (√)
Jason L.	√		√	√						
Adam S.	√	√	√	√	Green beans	√				

NAMES 8-11 months	Breakfast			AM		Lunch			PM		Supper		
	Formula or Breast Milk 6-8 oz (√)	IFC 2-4 T (√)	Veg/Fr 1-4 T Specify	Formula, Breast Milk, fruit juice 2-4 oz (√)	0-1/2 slice bread or 0-2 crackers (√)	Formula or Breast Milk 6-8 oz (√)	Veg./Fruit 1-4 T Specify	IFC 2-4 T OR Meat/Alt 1-4 T ½ - 2 oz Specify	Formula, Breast Milk, fruit juice 2-4 oz (√)	0-1/2 slice bread or 0-2 crackers (√)	Formula or Breast Milk 6-8 oz (√)	Veg./Fruit 1-4 T Specify	IFC 2-4 T OR Meat/Alt 1-4 T ½ - 2 oz Specify
David T.				√	√	√	Corn	IFC	√	√			
Mark C.	√	√	Pears	√		√	Peas	Chicken					

Breakfast: 5 AM: 5 Lunch: 6 PM: 2 Supper: 0

Section 5.5: Meal Counts

The CACFP regulations *require* that meal counts be taken at point of service. Point of service may be conducted under any of the following guidelines:

- At the very beginning of the meal where participants are seated around the table.
- During meal time where participants are concurrently partaking of the meal.
- Towards the end of the meal before participants get up from and leave the table.
- "Point of Service" must be recorded on the "Point of Service Meal Count Sheet."
 - Must be summarized on the Meal Count Summary.

Point of Service Meal Count Sheet

All institutions are required to maintain the point of service meal count sheet. As a reminder, institutions can claim up to two meals and one snack, one meal and two snacks, or three snacks per child per day. Emergency shelters may claim three meals per child per day. Below is a snapshot of a completed point of service meal count sheet.

1. Check off all meals served to a participant (✓)
2. A participant may be claimed for a maximum of two meals and one snack *or* two snacks and one meal per day.
3. Indicate by use of a colored slash mark specific meals/snacks that will be claimed for reimbursement. (✓)

NAME	1 st						2 nd						3 rd					
	MONDAY						TUESDAY						WEDNESDAY					
	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK	BREAKFAST	AM SNACK	LUNCH	PM SNACK	DINNER	NITE SNACK
Johnny, AAA	✓	✓	✓	✓			✓	✓	✓	✓				✓	✓	✓	✓	
Daisy, BBB	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	
Chelsea, CCC	✓	✓	✓				✓	✓	✓				✓		✓	✓		
Marc, DDD		✓	✓	✓				✓	✓	✓			✓	✓	✓	✓	✓	
TOTALS	1	3	4	3	1		1	3	4	3	1		2	1	4	3	2	

Meal Count Summary

Meal count records for each meal served during the month must support each claim for reimbursement. The meal count summary must indicate the daily number of meals served to enrolled children by type of meal: breakfast, lunch, supper or snack. Meal counts must be taken at *point of service*, (i.e. while children are seated and eating) and recorded accurately. Below is a snapshot of a completed Meal Count Summary.

MEAL COUNT SUMMARY

No. of Meals Claimed for Enrolled Children

	Breakfast	A.M. Snack	Lunch	P.M. Snack	At-Risk Snack	Supper	Night Snack
Date							
1st	1	3	4	3		1	
2nd	1	3	4	3		1	
3rd	2	1	4	3		2	
Subtotal	4	7	12	9		4	
Infant Total from reverse side*							
Total	4	7	12	9		4	

Edit-Check Meal Counts

Meal count procedures should contain a monthly edit-check. It is recommended that a position be assigned to conduct meal counts and another position be assigned to edit-check calculated meal counts to avoid errors in claims for reimbursement. A meal claiming policy should be created that ensures meal counts will be edit-checked prior to claim submissions. The policy should include what position will be responsible for meal counts and how the counts will be edit-checked to prevent errors.

Computer-Generated Meal Count System

Institutions who utilize a computer-generated meal count system must obtain prior approval from ADE. Institutions must complete, and submit to ADE, the "Child and Adult Care Food Program Computer Generated Meal Count Agreement." Documentation of approval must be maintained on file. Sponsors may claim meals using a computer-generated meal count system effective the day approval was obtained from ADE. Meals may be disallowed if prior approval was not obtained or documentation of approval is not available. Daily attendance records alone cannot be used in lieu of a meal count summary or point of service meal count sheet.

Value of Excess Personnel Meals

Although staff or volunteer meals are not reimbursable under the CACFP, those meals consumed must be recorded in the space provided on the Meal Count Summary. If those meals exceed the 1:5 ratio, meaning more than one staff member consumes a meal per five participants, the cost of those meals must be reported on the monthly sponsor claim. A monetary value must be assigned to each meal served above the 1:5 ratio. Sponsors may assign a fair value that represents cost of meal or may use the USDA Reimbursement rate for Free Meals. To determine the ratio divide total number of each meal type served to participants by 5.

Example: Lunch served 1000 participants
 $1000 \div 5 = 200$

You may serve up to 200 staff meals without reporting a value. If you served 250 staff meals, then you must report the cost of the 50 excess meals.

MEAL COUNT SUMMARY

Name of Center: _____

Month/Year: _____

Number of Meals Claimed for Enrolled Children								Number of Meals Consumed by Adult Staff						
Date	Breakfast	AM Snack	Lunch	PM Snack	At-Risk Snack	Supper	Night Snack	Breakfast	A.M. Snack	Lunch	PM Snack	At-Risk Snack	Supper	Night Snack
1														
2														
3														
4														
5														
6														
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20														
21														
22														
23														
24														
25														
26														
27														
28														
29														
30														
31														
Subtotal														
Infant Totals *														
Total # Meals To Claim	Breakfast	AM Snack	Lunch	PM Snack	At-Risk Snack	Supper	Night Snack	DO NOT CLAIM MEALS CONSUMED BY STAFF						

If any daily adult meal totals above exceed the 5 to 1 student/teacher ratio, report the dollar value of the exceeded meals onto your CNP Sponsor Claim.

INFANT MEAL COUNT SUMMARY

Daily Infant Meal Counts from Infant Production Records for the Month of:

Date	Breakfast	AM Snack	Lunch	PM Snack	Supper	Night Snack
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
Infant Meal Totals	Breakfast	AM Snack	Lunch	PM Snack	Supper	Night Snack
	*	*	*	*	*	*
* TRANSFER THESE TOTALS TO REVERSE SIDE OF FORM FOR CLAIMING TOTALS						

Section 5.6: Food Service Costs

Costs associated with the CACFP are not reimbursable but are maintained to ensure that institutions are fully expending all CACFP funds in the food service. This is known as operating a non-profit food service. Documentation must be available to demonstrate that institutions are spending more to operate their food service than they are receiving in reimbursement from the Program. Additionally, institutions must also demonstrate that they are spending at least 50% of their reimbursement on food purchases. The following documentation must be maintained to demonstrate a non-profit food service operation:

Non-Profit Food Service

All participating organizations must operate a non-profit food service principally for the benefit of enrolled children. Non-profit food service status is determined by deducting allowable net expenses from the food service revenue. Food service revenue includes:

- Reimbursement from CACFP.
- Income to the Program earned from activities supported by the food service (i.e., Bake Sale event).
- Any other funds used or restricted for use in the non-profit food service (i.e., Head Start funds, donations, DES funds, parent tuition, etc.).
- Funds in the non-profit food service account are restricted and can be used only for allowable non-profit food service costs.
- CACFP reimbursement must be spent on CACFP only. Sponsors must be able to demonstrate (paper-trail) that to ADE staff, USDA reviewers or auditors.

Sponsoring organizations shall also ensure centers under their sponsorship maintain a non-profit food service. This requirement applies to sponsors of affiliated centers (those centers that are of the same legal entity as the sponsor) and unaffiliated centers (those centers that are not part of the same legal entity as the sponsor).

Food Service Cost Report

The Food Service Cost Report is used to record the amount of money spent on CACFP food and supplies. Food expenses may include food, milk, and other food items used to prepare a creditable meal. Expenses for supplies used in the food service may include paper products such as plates, plastic spoons/forks, and table napkins, cleaning supplies such as dishwashing detergent and bleach to sanitize dishes, and kitchen equipment. Copies of supporting documentation, including receipts and invoices, must be maintained on file to support all monthly claims. Below is a snapshot of a completed Food Service Cost Report.

FOOD SERVICE COST REPORT

Itemized Costs	Operational – Direct Meal Service (preparation and service of meals to participants)
Food	Net food used/delivered
Supplies and Equipment	Bleach, paper plates/cups, cooking pans, etc.

Date	Supplier	Total Invoice	Food/ Milk	CACFP Operational Supplies	Non CACFP Supp lies	Tax	# of Milk Units
January 1st	Wal-Mart	\$87.31	\$43.97	\$6.56 (cups)	\$25.86	\$5.93	2
January 10th	Safeway	\$101.77	\$82.69	\$4.97(dish soap)	\$6.58	\$7.53	2

TOTAL \$126.6 \$11.53

Section 5.7: Facility Costs

Time Distribution Reports

Time Distribution Reports document the amount of time spent performing food service and non-food service tasks for each day of the month. This information is used to establish the portion of costs that may be claimed as Food Service labor and benefits. Any staff member who performs a CACFP related task must complete the Time Distribution Report to support all salaries and benefits claimed. For information on how to complete, please refer to the instructions on the back of the Time Distribution Report. Below is a snapshot of a completed Time Distribution Report.

TIME DISTRIBUTION REPORT

Employee Name: Jane Doe	Position: Director	Month/Year: January 20XX
-------------------------	--------------------	--------------------------

Day	Work Hours		CACFP Administrative Tasks	Food Service Operational Tasks	Totals
	Start	End	A. e.g., Managing, planning, organizing, training, monitoring	B. e.g., meal prep, serving, clean-up, supervising, meal counts	C. Total Hours Worked for the day
1	6:00 am	4:00 pm	1	0.5	1.5
2	6:00 am	4:00 pm	1		1
3	6:00 am	4:00 pm	1		1
4	6:00 am	4:00 pm	1	0.5	1.5
5	6:00 am	4:00 pm	1		1

Total Administrative Hours Worked 5 Total Operational Hours Worked 1 Total Monthly Hours Worked 6

Alternate Certificate Statement: I certify that I am on a fixed work schedule.

My workdays are _____ through _____. My work hours are ___ a.m. to _____ p.m. I did not work outside the hours of my fixed schedule, and all my work hours were spent performing Food Service duties.

I certify that all information is true and correct.

Jane Doe
Signature – Employee

1-31-15
Date



State of Arizona
 Department of Education
TIME DISTRIBUTION REPORT

Employee Name	Position	Month/Year
---------------	----------	------------

Day	Work Hours		CACFP Administrative Tasks	Food Service Operational Tasks	Totals
	Start	End	A. e.g., Managing, planning, recordkeeping, training, monitoring	B. e.g., point of service meal counts, ensuring correct portion sizes, ensuring all foods served at once	C. Total Hours Worked for the day
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					

Total Administrative Hours Worked _____ Total Operational Hours Worked _____ Total Monthly Hours Worked _____

Alternate Certificate Statement: I certify that I am on a fixed work schedule.

My workdays are _____ through _____. My work hours are ____ a.m. to _____ p.m. I did not work outside the _____ hours of my fixed schedule, and all my work hours were spent performing Food Service duties.

I certify that all information is true and correct.

Signature – Employee

Date

Approval:	
Signature – Supervisor	Date
Form revised October 2010	

PURPOSE

To document the amount of time spent performing Food Service and Non-Food Services tasks for each day worked during the month. This information is used to establish the portion of costs that may be claimed as Food Service labor.

PROCEDURE

When to Prepare

All full-time and part-time employees, who's compensation in whole or in part is paid with Food Service funds, must complete this report. The information must account for the total activity for which each employee is compensated. The reports must reflect an after-the-fact determination of the actual activity of each employee. A separate report is required for each employee.

Number of Copies

Complete one original for each employee for each month.

Transmittal

Keep the completed and signed form in your files.

Form Retention

Keep the Time Distribution Report for five years and 90 days from the end of the contract period. Exception: If audit findings, claims, or litigation have not been resolved by the end of the retention period, all forms and records must be retained until all issues are resolved.

DETAILED INSTRUCTIONS

Employee Name – Enter the name of the employee whose time distribution is being recorded.

Position – Enter the title of the position for this employee.

Month/Year – Enter the month and the year covered by this time distribution report.

Day – No entry is required. This column indicates that day of the month.

Work Hours – The employee enters that start and end time for each day worked. More than one time may be entered if the employee has a break in work hours other than normal lunch and break times.

CACFP Administrative Tasks (Column A) - The employees enters the amount of time spent performing administrative tasks in column A. Time should be reported in 15 to 30 minute intervals. Employees should round up or down to the nearest half-hour. This should reflect an after-the-fact determination of the actual time spent in each activity. Then total the entire column and report these hours on the monthly expense worksheet.

Food Service (Operational) Tasks (Column B) - The employee enters the amount of time spent performing Food Service tasks in column B. Time should be reported in 15 to 30 minute intervals. This should reflect an after-the-fact determination of the actual time spent in each activity. Then total the entire column and report these hours on the monthly expense worksheet.

Total Hours Worked for the day (Column C) – The employee enters the total number of hours worked that day. At the end of the month, total the numbers in column C to calculate Total Monthly Hours Worked. Use this figure to help determine the percentage of benefits charged to CACFP.

Alternate Certification Statement – This certification statement may be completed in lieu of the detailed daily time distribution entries if the employee did not work outside of the fixed schedule and all hours were spent performing Food Service duties.

Signature and Date – Employee – The employee must sign and date the document to certify that all information is true and correct.

Signature and Date – Supervisor – The employee's supervisor must sign and date the document to show approval of the form.

TIME DISTRIBUTION REPORT

Instruction

CACFP Monthly Expense Worksheet

The CACFP Monthly Expense Worksheet is used to record labor and facility costs associated with the Program. Labor costs include wages and benefits paid by the sponsor to employees directly involved in the operation and administration of the CACFP. Labor may include time allocated to food preparation and service, food purchasing, cleaning of the food preparation and service areas, supervision of meals, menu planning, or recordkeeping, and other administrative duties. Use the completed time distribution reports as your tool to determine all labor and benefit costs. Below is a snapshot of a completed Monthly Expense Worksheet used to determine labor and benefits costs.

CACFP MONTHLY EXPENSE WORKSHEET

Itemized Costs	Administrative Costs – Overseeing Compliance (planning, organizing and managing CACFP)	Operational Costs – Direct Meal Service (preparation and service of meals to participants)
Salaries	Owner, Director, Monitor	Teachers, Cook
Benefits	Owner, Director, Monitor	Teachers, Cook

ADMINISTRATIVE SALARIES/BENEFITS

LABOR EXPENSES

Benefits[†]

A	B	C	D	E	F
POSITION, EMPLOYEE NAME	TOTAL ADMINISTRATIVE HOURS PER MONTH (FROM TIME DISTRIBUTION REPORT)*	SALARY PER HOUR	GROSS PAY (B X C)	PERCENT OF TIME SPENT ON CACFP TASKS THIS MONTH TOTAL MONTHLY HOURS B ÷	CACFP PORTION OF BENEFITS TOTAL BENEFITS PAID TO EMPLOYEE E ×
DIRECTOR, Jane Doe	18	\$15.00	\$270.00		
Total:			\$270.00		

Salaries

Benefits

OPERATIONAL SALARIES/BENEFITS

LABOR EXPENSES

Benefits

A	B	C	D	E	F
POSITION, EMPLOYEE NAME	TOTAL OPERATIONAL HOURS PER MONTH (FROM TIME DISTRIBUTION REPORT)*	SALARY PER HOUR	GROSS PAY (B X C)	PERCENT OF TIME SPENT ON CACFP TASKS THIS MONTH TOTAL MONTHLY HOURS B ÷	CACFP PORTION OF BENEFITS TOTAL BENEFITS PAID TO EMPLOYEE E ×
DIRECTOR, Jane Doe	2	\$15.00	\$30.00		
Total:			\$30.00		

Salaries

Benefits

Facility expenses are allowable costs specifically related to the CACFP that may include fees for rent/mortgage, contracted services, communications/utilities, and other costs incurred as a result of running the program. No more than 15% of the total costs can come from administrative tasks or costs. The portion of each of these costs must equal the portion of the total facility that is used in the operation of the CACFP. Thus if 25% of the facility is used for the operation of the CACFP, then no more than 25% of the rent, utilities, and maintenance services may be reported on the claim. Copies of all supporting documentation, including bills and invoices, must be kept on file to support facility costs on all monthly claims. Below is a snapshot of a completed Monthly Expense Worksheet.

Itemized Costs	Administrative – Overseeing Compliance (planning, organizing and managing CACFP)	Operational – Direct Meal Service (preparation and service of meals to participants)
Rent/Mortgage	Office area	Kitchen, service areas
Contracted Services	Storage facility, computer maintenance	Pest control, refrigerator repair
Communications/Utilities	Phone, internet	Electricity, water
Other Costs *	Computer, copy machine, administrative supplies (ie. paper, pens, printer ink, etc..)	Stove, refrigerator, grocery shopping

*If you charge for any of these items, you may only charge the CACFP portion of that item (use your approved administrative percentage determined on your Application and Management Plan). You will be required to submit price quotes for large items, such as computers, copy machines, stoves, refrigerator, etc...If you charge gas for grocery shopping, you must keep a mileage log and may only use the current state per diem rate. Go to <https://gao.az.gov/travel/welcome-gao-travel> to determine the current state per diem rate.

Administrative Facility Expenses

Square Footage of CACFP Office Space ÷ Total Square Footage of Facility = Percent attributed

$$\frac{200}{4800} = 4.2\%$$

(Office Space) (Entire facility) (Column C)

A	B	C	D
Service	Billed Amount	Percent Attributed to CACFP	Total (B x C)
Rent or Mortgage	\$4,000.00	0.042 (4.2%)	\$168.00
Contracted Services			
Communications	\$179.61 (Phone/Internet)	0.042 (4.2%)	\$7.54
Other Costs			

Operational Facility Expenses

Square Footage of CACFP Food Service Area ÷ Total Square Footage of Facility =
Percent attributed

$$\frac{100}{4800} = 21\%$$

(Kitchen, Food storage, eating area) (Entire facility) (Column C)

A	B	C	D
Service	Billed Amount	Percent Attributed to CACFP	Total (B x C)
Rent or Mortgage	\$4,000.00	0.21 (21%)	\$840
Contracted Services			
Utilities	\$258.21 (Electricity)	0.21 (21%)	\$54.22
Other Costs			

Section 5.8: Menus and Food Production Worksheets

Menus

Menus must be maintained for all meals claimed for reimbursement and must indicate all food components that meet the meal pattern requirements. If an item requires a substitution, it must be documented on the menu, and menus are required to be posted in public view (for additional menu/food requirements refer to Chapter 7).

Production Worksheets

Production worksheets may be used to ensure that sufficient amounts of food were prepared for the number of children claimed and adults served. Production worksheets should be completed two weeks in advance of the meal preparation and used as a tool to:

- Plan for the amount of food needed.
- Be used as a grocery shopping list.
- Record actual amounts of food used.

New sponsors are required to maintain production worksheets for every meal claimed for CACFP reimbursement. When production records are waived by an ADE representative, written documentation identifying the waiver must be permanently maintained on site. After such a determination is made, production records may be maintained on a voluntary basis. If at any time ADE, or a representative thereof, determines that there is not adequate documentation to support fulfillment of the meal pattern requirements, production records will again be required for all meals.

To obtain and print a copy of both the Creditable Foods Guide and the Simplified Buying Guide, go to <http://www.azed.gov/health-nutrition/files/2011/06/2014-creditable-food-guide.pdf>.

- The Creditable Foods Guide is designed to provide information on credible and non-credible foods in Childcare Centers/Preschools, Head Start Centers, Outside School Hour Centers, Family Day Care Homes, At-Risk Centers, Emergency Shelters and Adult Day Care Centers.
- The Simplified Buying Guide is designed to assist participants in completing the production worksheets. If you cannot find an item in this guide, you may refer to the USDA Food Buying Guide at: <http://www.fns.usda.gov/tn/Resources/foodbuyingguide.html>

Section 5.9: Additional Documentation

Tax-Exempt Status (applicable to non-profit centers)

Non-profit centers must maintain documentation from the IRS of their tax-exempt status or the IRS 501 (c)(3).

License or Approval

Sponsors are required to have a current DHS license or license approval if DHS licensing isn't available.

Centers complying with applicable procedures to renew their DHS licensing, Military Base Certification or Tribal Health Services Certification may participate in the CACFP during the renewal process unless ADE has information which indicates that renewal will be denied.

Child Care Centers on Military Bases are eligible for CACFP participation. Centers operated by any branch of the military must submit a "Department of Defense Certificate To Operate License" from their Headquarters in place of the DHS licensing.

Child Care Centers on Indian Reservations are eligible for CACFP participation. Centers operating on Tribal Land must submit a "Tribal Environmental Health Service Certification Report" issued by Indian Health Services in place of DHS licensing.

Records To Be Kept On File

The following is a list of recordkeeping items that should be kept on site.

- **Copy of all Application (New/Renewal) Materials**
- **Complete Meal Benefit Forms**
- **Attendance Records (Claiming Rosters and Sign-in/Sign-out Sheets)**
- **Food Service Cost Reports (including all supporting documentation such as receipts/invoices)**
- **CACFP Monthly Expense Worksheet (including all supporting documentation such as bills/invoices)**
- **Time Distribution Reports**
- **Meal Count Summaries and Point of Service Meal Count Sheets**
- **Daily Meal Production Record for Infants and Infant Feeding Preference form (if applicable)**
- **Computer Generated Meal Count Reports (if applicable)**
- **Policy and Procedures for collection and maintenance of CACFP records**
- **Policies on using household parental contacts (if applicable)**
- **Job Descriptions for all employees with detailed CACFP Duties**
- **Title XX attendance/billing records (if applicable)**
- **Administrative Review Procedures**
- **Procedures for Complaints of Discrimination**

- **Production Worksheets (as required)**
- **Menus (including any applicable CN Labels/Product Analysis Data and medical statements)**
- **Monitoring records, including 5-day reconciliations (if applicable)**
- **Annual staff training records**
- **A copy of the permanent agreement that has been signed by ADE**

CACFP Record Keeping Forms are also available on-line at <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/>
Items To Be Posted

The following is a list of items that should be posted or made available to the public:

- "And Justice For All..." poster (must be posted).
- "Building for the Future" (must be posted). Additionally, a copy of this document must be provided to all parents with the center's contact information included.
- "Women, Infant, and Children Program" information (must be made available or posted).

Required Written Policies and Procedures

All organizations participating in the CACFP program are required to have written policies addressing key CACFP requirements. When writing policy, it must address who, what, where when and why. The following policies must be developed and kept on site:

- **Record Maintenance Policy:** The record maintenance policy should address where specific records are kept (i.e. meal benefit forms are stored in the top drawer of the filing cabinet in the office next to the desk), how long they are kept on site, where archived records are stored, and who has access to all records and who verifies the policy is being followed. All organizations must also have written job descriptions on file that include all CACFP duties or tasks.
- **Outside Employment Policy**
- **Parental Contact Policy** (Organizations with more than one site)
- **Claims Processing and Payment Disbursement Policy** (Organizations with more than one site)
- **Monitoring Policy** (Organizations with 25 or more sites)
- **Notification to Parents** that the organization participates on CACFP

Section 5.10: Recordkeeping Requirements for Head Starts

Head Starts serve primarily children from families with household incomes at or below the Federal poverty level. However a small proportion of children in families with household incomes above the poverty level may be served. Public Law 110-134 makes any child enrolled in Head Start automatically eligible for free meals without further application or eligibility determination. This means that meal benefit forms, as discussed in section 5.4, are not required for Head Start or Early Head Start participants. The following is a list of acceptable documentation that may be used in lieu of the meal benefit forms.

- An approved Head Start or Early Head Start application.
- A statement of Head Start or Early Head Start enrollment.
- A list of participants that qualify for Head Start or Early Head Start that is signed by a Head Start official.

Head Starts must follow all other recordkeeping requirements as stated in this compliance manual. Refer to Chapter 2 for eligibility requirements for Head Starts.

Section 5.11: Recordkeeping Requirements for Emergency Shelters

Emergency Shelters must ensure that only meals served to resident children 18 years of age or younger are claimed for reimbursement. Meals served to adults and non-resident children are not reimbursable. Residential children who participate in the shelter's food service will be automatically eligible for free meals and snacks, without further application. Although a shelter may collect cash, food stamps, or other in-kind payments from some residents for their meal services, it may not charge or collect payments for CACFP meals and snacks served to eligible children.

Emergency shelters may be approved to serve up to three reimbursable meals—breakfast, lunch, and supper—or two meals and one snack, to each child, each day, on weekdays and weekends.

Meals which are consumed in private family quarters in an emergency shelter are not reimbursable. Only meals served in congregate meal settings are eligible for reimbursement. An exception may be made for meals served in private family quarters that are part of an emergency shelter to infants from birth through age 11 months. Those meals may be claimed for reimbursement if the shelter provides all of the required components to the infant's parent or guardian, and maintains records documenting that sufficient food has been served to meet the meal pattern requirements (Refer to section 5.4).

As with all CACFP institutions, shelters must keep records that are adequate to determine the non-profit status of the food service and proper utilization of CACFP funds. This includes requirements that the shelter maintain a daily roster of children receiving meals, total meal counts by type, and menus for infant meals and meals served to children. In addition to these items, emergency shelters must follow the recordkeeping requirements described in sections 5.4-5.6, 5.8, and the applicable parts of 5.9. All other chapters apply.

Refer to Chapter 2 for eligibility requirements for Emergency Shelters.

Section 5.12: Recordkeeping Requirements for At-Risk After School Meals Programs

After school sites participating in the At-Risk After School Meals Program are required to maintain the following records:

- Daily meal counts
- Documentation of each child's daily attendance
- Menus (refer to section 5.8)
- Production Worksheets (refer to section 5.8)

Current records should be maintained on site, and all records must be maintained for a minimum of five (5) years.

****Note:** Child care centers that participate in both the traditional CACFP and the At-Risk After School Meals Program must keep separate records for each Program. This means that children, who only participate in the At-Risk Program, should not be included on the claiming percentage rosters, nor should those children be claimed for any other meal or snack. The only time these children must be included on the claiming percentage rosters is when they attend the center during breakfast, school holidays, or school breaks for more than just the At-Risk snack (i.e. they attend and participate in breakfast, lunch, dinner, or AM snack). Additionally, At-Risk meals may not be claimed during summer breaks unless the school district operates on a year round basis. Those children must be included in the traditional program and must follow all recordkeeping requirements as stated in this compliance manual. The After School Meals Program may follow the recordkeeping requirements listed in this section.

- Example #1: Brandon is enrolled at a child care center and participates only in the At-Risk Program. He never attends the center during any other meals and does not attend during school holidays or school breaks. Brandon's records should be maintained separately from the rest of the center and he should not be included in the meal counts of any other meal or snack, except for the At-Risk meals. He should also be excluded from the claiming percentage rosters.
- Example #2: Amber is enrolled at a child care center and participates in the At-Risk Program, but she also participates in the breakfast meal service daily and attends the center for a full day during school holidays and school breaks. Amber should be included on the claiming percentage rosters and should also be included for any meal she participates in as long as it does not exceed the allowable two meals and one snack or two snacks and one meal per day.
- Example #3: Johnny is enrolled at a child care center and participates in the At-Risk Program, but he also attends the center for a full day during school holidays and school breaks. Johnny should be included on the claiming percentage rosters only during months when there is a school holiday or school break and should

also be included for any meal he participates in during those times as long as it does not exceed the allowable two meals and one snack or two snacks and one meal per day. He should not be included on the claiming roster on any month when there is no school holiday or school break.

All other participants that are solely part of the traditional CACFP portion of centers must follow all recordkeeping requirements as stated in this compliance manual.

Refer to Chapter 2 for eligibility requirements for At-Risk After School Meals Programs.

CIVIL RIGHTS REQUIREMENTS

CHAPTER 6

Section 6.1: Civil Rights Compliance

Child Nutrition Sponsoring Agencies shall comply with the requirements of Title VI of the Civil Rights Act of 1964; American with Disabilities Act (ADA); Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; and the Age Discrimination Act of 1975.

In the operation of the Child Nutrition Programs, no individual in the United States shall solely by reason of his or her race, color, national origin, sex, age, or disability, be excluded from the participation in, denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 6.2: Non-Discrimination Statement

All USDA Food and Nutrition Programs must use the Office of Civil Rights non-discrimination statement on any materials that are posted for public view (brochures, websites, advertisements, menus, etc.). The Office of Civil Rights has issued two statements, a long and short non-discrimination policy:

The longer statement is preferred on posters, pamphlets, application, rights and responsibility material, websites, and any other area where there is sufficient space. It should appear in a prominent place in the text same size as the rest of the document and should be available in other languages. The longer statement reads as follows:

The U.S Department of Agriculture prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities, who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

USDA is an equal opportunity provider and employer.

The shorter statement may be used if the material is too small to include the long statement. However, the print size should be no smaller than the text of the document. Examples include: letters, memos, notices, menus, internet, public service announcements, television spots, or advertisements, recruitment and outreach correspondence. The shorter statement reads as follows:

This institution is an equal opportunity provider and employer.

Section 6.3: Data Collection

Sponsors are required to obtain an annual statistical racial/ethnic breakdown of the area being served and maintain it on file with CACFP records. This is done by utilizing the following website at:

http://factfinder2.census.gov/faces/nav/jsf/pages/community_facts.xhtml

Please note that this website may change, so you may find the most current information on the Civil Rights page: <http://www.azed.gov/health-nutrition/files/2014/09/civil-rights-data-collection-form-rev-9-14.pdf>

Sponsors must use the information obtained above and complete the "Civil Rights Compliance Data Collection" form and the "Civil Rights Pre-Award Compliance Review" form. Both forms are included in new Sponsor application packets and in renewal application packets. Both forms will be updated annually and should be maintained on file.

Section 6.4: Complaint Procedure

The Procedures for Complaints of Discrimination is available on the CACFP website. These procedures must be maintained on file and be made available to any person who wishes to make a complaint to the USDA.

Filing a Complaint

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Section 6.5: Civil Rights Training

Civil Rights Training is required so individuals involved in all levels of administration of programs that receive Federal financial assistance understand civil rights related laws, regulations, procedures, and directives.

Sponsors are responsible for training their program staff. Program staff that interacts with program applicants or participants and those persons who supervise program staff must be provided with Civil Rights Training on an annual basis. Subject matter must include but is not limited to:

- Collection and use of data
- Effective public notification systems
- Complaint procedures
- Compliance review techniques
- Resolution of noncompliance
- Requirements for reasonable accommodation of persons with disabilities
- Requirements for language assistance
- Conflict resolution

Sponsors are required to show documentation that verifies Civil Rights Training was provided to staff. Required documentation includes, but is not limited to, agendas, sign in records, and a copy of materials/handouts used. ADE has posted some civil rights activities that may be useful for your staff trainings. To obtain these activities, go to: <http://www.azed.gov/health-nutrition/civil-rights/>

Section 6.6: Other Civil Rights Requirements

In addition to the information previously outlined, Sponsors must also have the following materials:

- **"...And Justice For All" Poster** – must be displayed in a public area of the facility that is visible to program recipients, their families, personnel, visitors and others. Each site that participates in the CACFP must have its own poster. Sponsors with multiple sites may request for additional copies by contacting the ADE/CNP Office. Suitable substitutes for outdoor use may be made if necessary.
- **CACFP Information/Materials** – must include the non-discrimination statement in languages appropriate to the local population. The non-discrimination statement must be printed using the same font and size as the text. Other CACFP materials in alternative means (such as, but not limited to, large print) of communication must be available. For more information on the non-discrimination statement, please refer to Section 6.2.
- **Prayer** – may be done over a CACFP meal as long as it is not a requirement to receive the meal.

For additional Civil Rights Information go to:

<http://www.azed.gov/health-nutrition/civil-rights/>

Or

Contact the ADE's Civil Rights Liaison at 602-542-8700.

CHAPTER 7

Meal Requirements



MEAL REQUIREMENTS

CHAPTER 7

Section 7.1: Meal Component Requirements

The requirements of the CACFP Infant and Child Meal Patterns were designed to assure that the nutritional needs of participants are met. The meal pattern specifies the types (components) and amounts (portion sizes) of food that must be offered to be eligible for reimbursement. Sites participating in the CACFP must ensure all offered meals meet CACFP requirements and must serve meals to all enrolled participants. Although not a meal component, water must be available to participants at all times.

**Arizona Department of Education
CHILD & ADULT CARE FOOD PROGRAM - MEAL PATTERN FOR INFANTS**

MEALS	Birth through 3 Months	4 through 7 Months	8 through 11 Months
BREAKFAST	4 to 6 fl. oz. of infant formula ¹ or breast milk ^{2, 3}	4 to 8 fl. oz. of infant formula ¹ or breast milk ^{2,3**} and 0 to 3 tablespoons of infant cereal ^{1,4} (optional)	6 to 8 fl. oz. of infant formula ¹ or breast milk ^{2,3**} and 2 to 4 tablespoons of infant cereal ¹ and 1 to 4 tablespoons of fruit or vegetable or both ^{*, **}
LUNCH or SUPPER	4 to 6 fl. oz. of infant formula ¹ or breast milk ^{2, 3}	4 to 8 fl. oz. of infant formula ¹ or breast milk ^{2,3**} and 0 to 3 tablespoons of infant cereal ^{1,4} (optional) and 0 to 3 tablespoons of fruit or vegetable or both ⁴ (optional)	6 to 8 fl. oz. of infant formula ¹ or breast milk ^{2,3**} and 1 to 4 tablespoons of fruit or vegetable or both ^{*, **} 2 to 4 tablespoons of infant cereal ¹ and/or 1 to 4 tablespoons of meat, fish poultry, egg yolk, cooked dry beans or peas or 1/2 to 2 oz. of cheese or 1 to 4 oz. of cottage cheese, cheese food
SNACK	4 to 6 fl. oz. of infant formula ¹ or breast milk ^{2, 3}	4 to 6 fl. oz. of infant formula ¹ or breast milk ^{2,3**}	2 to 4 fl. oz. of infant formula ¹ or breast milk ^{2,3**} or 100% full-strength fruit juice ^{**} and 0 to 1/2 whole grain or enriched bread ⁴ or 0 to 2 whole grain enriched crackers ⁴

* Must be provided by caregiver to qualify for reimbursement.

**Meals containing breast milk or formula provided by the parent and served to infants *4 - 7 months or older*, may be claimed for reimbursement when the other components are supplied by the caregiver.

1. Infant formula and infant cereal must be iron-fortified.
2. Breast milk or formula, or portions of both, may be served; however, it is recommended that breast milk be served in place of formula from birth through 11 months
3. For some breastfed infants who regularly consume less than the minimum amount of breast milk per feeding, a serving of less than the minimum amount of breast milk may be offered, with additional breast milk offered if the infant is still hungry.
4. A serving of this component is required when the infant is developmentally ready to accept it.

**Arizona Department of Education
CHILD & ADULT CARE FOOD PROGRAM – MEAL PATTERN FOR CHILDREN**

MEALS	REQUIRED COMPONENTS	1 & 2 YEARS	3 - 5 YEARS	6 – 12 YEARS	FOOD COMPONENTS
BREAKFAST	1 milk 1 fruit/vegetable 1 grain/bread ²	1/2 cup 1/4 cup 1/2 slice 1/2 serving 1/4 cup or 1/3 oz. 1/4 cup	3/4 cup 1/2 cup 1/2 slice 1/2 serving 1/3 cup or 1/2 oz. 1/4 cup	1 cup 1/2 cup total 1 slice 1 serving 3/4 cup or 1 oz. 1/2 cup	fluid milk and juice ¹ , fruit and/or vegetable and bread or combread, or biscuits, or rolls, or muffins or cold dry cereal or hot cooked cereal, or pasta, or noodles, or grains
LUNCH or SUPPER	1 milk 2 fruits/vegetables (2 separate kinds) 1 grain/bread ² 1 meat or meat alternate	1/2 cup 1/4 cup 1/2 slice 1/2 serving 1/4 cup 1 oz. 1 oz. 1/2 egg 4 oz. 1/4 cup 2 tbsp. 1/4 oz.	3/4 cup 1/2 cup 1/2 slice 1/2 serving 1/4 cup 1 1/2 oz. 1 1/2 oz. 3/4 egg 6 oz. 3/8 cup 3 tbsp. 3/4 oz.	1 cup 3/4 cup total 1 slice 1 serving 1/2 cup 2 oz. 2 oz. 1 egg 8 oz. 1/2 cup 4 tbsp. 1 oz.	fluid milk and juice ¹ , fruit and/or vegetable (2 or more total) and bread or combread, or biscuits, or rolls, or muffins or or hot cooked cereal, or pasta, or noodles, or grains and lean meat, poultry, fish, alternate protein product, or cheese or egg or yogurt or cooked dry beans or peas ³ or peanut, soy, or other nut or seed butters or Peanuts, soy nuts, tree nuts or seeds ⁴
SNACK (Select 2 of the 4 components must be from 2 different groups)	(Choose 2 of these 4) 1 milk 1 fruit/vegetable 1 grain/bread ² 1 meat or meat alternate	1/2 cup 1/2 cup 1/2 slice 1/2 serving 1/4 cup or 1/3 oz. 1/4 cup 1/2 oz. 1/2 oz. 1/2 egg 2 oz. 1/8 cup 1 tbsp. 1/4 cup	1/2 cup 1/2 cup 1/2 slice 1/2 serving 1/3 cup or 1/2 oz. 1/4 cup 1/2 oz. 1/2 oz. 1/2 egg 2 oz. 1/8 cup 1 tbsp. 1/2 cup	1 cup 3/4 cup total 1 slice 1 serving 3/4 cup or 1 oz. 1/2 cup 1 oz. 1 oz. 1/2 egg 4 oz. 1/4 cup 2 tbsp. 3/4 cup	fluid milk or juice ¹ , fruit and/or vegetable or bread or combread, or biscuits, or rolls, or muffins or cold dry cereal or hot cooked cereal, or pasta, or noodles, or grains or lean meat, poultry, fish, alternate protein product, or cheese or egg or yogurt or cooked dry beans or peas ³ or peanut, soy, or other nut or seed butters or Peanuts, soy nuts, tree nuts or seeds ⁴

1. Fruit or Vegetable Juice must be 100% full-strength.
2. Whole milk is recommended for 12 to 23 month old children.
3. Skim or Low fat (1%) milk must be served to participants 24 months old and older.
4. Breads/Grains must be whole-grain, enriched meal or flour. Cereal must be whole-grain or enriched or fortified.
5. Dried beans or peas may be used as a meat alternate or vegetable component; but doesn't meet the requirement for both.
6. Peanut butter, nuts/seeds meet only 50% of total meat/meat alternate serving and must be combined with another meat or meat alternate to fulfill lunch or dinner requirements. Not more than 1 ounce of nuts/seeds may be used in any meal.

Lettuce must be accompanied with another fruit or vegetable. Raisins must be served w/ another fruit or vegetable at breakfast and snacks. Cottage cheese, cheese food/spread; portion size must be doubled.

High Fat / High Sugar Items:

CACFP promotes nutritious meals served to participants while in care. Institutions participating in CACFP must ensure no more than two high sugar items and no more than two high fat items are served per week. High sugar items may only be served during breakfast or snack. High fat items may be served during lunch and supper. High sugar/high fat products include, but are not limited to:

Low-quality, high-fat food items
(Greater Than 35% Total Calories From Fat)

Croissants	Sausage Bacon	Salami Pepperoni	Corn dogs
Margarine Butter	Hot dogs	Bologna	Tater tots
Savory Pastry Pockets	Chicken Nuggets/Patties	Fish Sticks Nuggets/Shapes	Tortilla chips Potato chips
French fries (oven-baked, homemade potato wedges are not high fat)			
Full-fat Cream Cheese, Sour Cream, Mayo, Tartar Sauce, Dressings and Dipping Sauces			

**This list is to be used for reference and is not all inclusive.
Excessive High Fat items will result in meal disallowances.**

High-sugar food items
(Greater Than 35% Total Sugar By Weight)

Sweetened Cereals	Ice Cream	Donuts	Brownies	Cookies	Pop Tarts
Granola Bars	Cereal bars	Vanilla Wafers	Gelatin Jell-O	Fruit or Cream Pies	Cake Cupcakes
Custard/ Pudding	Toaster Pastries	Rice Krispie Treats	Iced-Animal Cracker	Quick Breads/ Muffins	Cinnamon Rolls Danish
Flavored Milk, including chocolate			High Sugar Breakfast Cereals		

This list is to be used for reference and is not all inclusive.

Even though many items identified above are not reimbursable, such items frequently appear on menus. CACFP encourages the use of seasonal fresh fruits and vegetables, whole grain products and high quality proteins.

If you purchased an item that is listed in the tables above and you feel that item is within CACFP guidelines, refer to the nutrition calculator on the next page. If that product is within CACFP guidelines (based on the results provided on the online nutrition calculator), print a copy of the results page, attach a copy of the original products container, and keep in your files for review purposes. **Note: Food items labeled as “lite” or “low-fat” may not meet the CACFP guidelines for high fat and high sugar items. Use the nutrition calculator to determine whether or not a particular item (i.e. syrup or ranch) is considered a high fat or high sugar item on CACFP to avoid disallowances.**

Arizona CACFP Nutrition Calculator

This calculator is provided to assist day care centers, in-home providers, and sponsoring organizations in determining whether food items meet the Arizona CACFP Fat and Sugar Standards. CACFP allows no more than two high sugar and/or two high fat items per week. To access the online calculator, go to: <http://www.ade.az.gov/cacfpnutritioncalculator> and follow these instructions.



- Complete Steps 1 and 2: Enter requested information in the drop-down menus provided.
- Complete Step 3: Read the disclaimer. Check the box if you agree.
- Click the "Evaluate" button to see the results.



What type of test do you need to perform (you first select below "High Fat" or "High Sugar")?

High Sugar

- Use the "High Sugar" test if you know the "Sugar per Serving" and "Serving Size" information.
- Use the "High Fat" test if you know the "Calories from Fat" per serving and the "Calories per Serving" information.
- Use the "High Fat (no Calories from Fat)" test if you know the "Total Fat" and the "Calories per Serving" information.



TEST FOR "HIGH SUGAR"

Serving Size (g): 30

Sugar Per Serving (g): 1

Nutrition Facts			
Serving Size 1 cup (80g)			
Children Under 4 3/4 cup (20g)			
Servings Per Container about 11			
Children Under 4 about 28			
Amount Per Serving		with 1/2 cup Cereal	Cup for Children Under 4
Calories	110	150	70
Calories from Fat	15	20	10
% Daily Value**			
Total Fat 2g	3%	3%	1g
Saturated Fat 0g	0%	3%	0g
Trans Fat 0g			0g
Polysaturated Fat 0.5g			0g
Monounsaturated Fat 0.5g			0g
Cholesterol 0mg	0%	1%	0mg
Sodium 210mg	9%	12%	140mg
Potassium 200mg	6%	12%	130mg
Total Carbohydrate 22g	7%	9%	15g
Dietary Fiber 3g	11%	11%	2g
Soluble Fiber 1g			0g
Sugar 1g	2%	2%	1g
Other Carbohydrate 18g			12g
Protein 3g			2g

RESULTS:

YOUR ITEM CONTAINS 3.3% SUGAR WHICH IS WITHIN CACFP GUIDELINES.



Disclaimer

I have read and agree with the following: I hereby certify that I am responsible for the accurate input of information to determine if a product meets the Arizona CACFP Nutrition Standards. I understand that the Arizona Department of Education does not collect or maintain any information submitted or entered into the Arizona CACFP Nutrition Calculator. I agree the Arizona Department of Education is not responsible for the inaccurate input of information into the Arizona CACFP Nutrition Calculator by its users. I am solely responsible for the information and the results generated by my input into the Arizona CACFP Nutrition Calculator. I understand I may not modify or alter the information provided by the Arizona CACFP Nutrition Calculator.

Section 7.2: Component Requirements

The following requirements must be met in preparing a creditable meal. For further information on creditable and non-creditable food items, please visit ADE's website: <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/>

Meat/Meat Alternate

- Must be served at lunch and/or supper and may be served as one of the two required components for snack.
- May include but not limited to lean meat, fish, poultry, cheese, egg, yogurt, cooked dry beans/peas, peanut butter, other nut or seed butters. Nut spreads are not creditable. **Caution should be taken to ensure that a child is not allergic to nuts or nut butters before serving. PEANUT ALLERGIES can be VERY SERIOUS and in some case, LIFE THREATENING. Nuts are not recommended for children 3 years old and younger because choking can occur.**
- Peanut butter meets only 50% of the required portion for lunch and or supper.
- Dry beans or peas may count as a meat/meat alternate or vegetable/fruit requirement, but not both in the same meal.
- Frankfurters (hotdogs) cannot contain meat-by-products (pork stomachs, snouts, tripe, hearts, tongues, fat, fatty tissue, lips, [wind-pipe] and spleen), variety meats, cereals, binders or extenders (cereal, dried milk, isolated soy protein, sodium caseinate, dry or dried whey, whey protein, soy flour, soy protein, starchy vegetable flour, vegetable starch, wheat gluten, tapioca, and dextrin).
- Commercially prepared food products must be CN-labeled or a product analysis sheet must be obtained from the food manufacturer to determine the meat/meat alternate contribution toward the meal pattern.
- Cottage cheese, cheese food or cheese spread must be served at twice the quantity as natural or processed cheeses.

Fruit/Vegetable

- Breakfast must contain one serving of fruit or vegetable.
- May be served as one of the two required components for snack.
- Fruit juice must be 100% full strength. Best practice is to limit juice to two times per week.
- Juice may not be served if milk is the only other component.
- Lunch/supper must contain two servings of fruit and/or vegetable from two different sources. Best practice is to always serve one fruit and one vegetable.
- Combination fruit or vegetable dishes count for one fruit or vegetable component.
- Dry beans or peas may count as a vegetable component or meat/meat alternate, but not both in the same meal.
- Lettuce must be accompanied with another fruit or vegetable.

Grains/Breads

- Must be served at breakfast, lunch and/or supper and may be served as one of the two required components for snack.
- Must be served as an accompaniment to or a recognizable integral part of the main dish and not merely as an ingredient.
- May include but not limited to rolls, muffins, cornbread, biscuits, cooked or cold dry cereal, pasta, noodle products, or cereal grains.
- Bread alternates high in sugar and fat must be limited to two times a week and may only meet the grain requirement for breakfast or snack.
- Cereals must be whole grain, enriched or fortified.
- Grain/Breads must be made from whole grain or enriched meal flour.

Reading Food Labels: When searching for whole grain items, begin by examining the food label. The first ingredient listed on the label will indicate the main ingredient that was used in making the product. Consider the example below: the first ingredient listed on the label cites, "Made With Whole Wheat Flour" therefore, the bread is primarily made from "Whole Grain."



Nutrition Facts		Amount/Serving	%Daily Value**	Amount/Serving	%Daily Value**
Serving Size: 2 slices (43g)		Total Fat 2g	3%	Sodium 180mg	3%
Servings per container: 10		Saturated Fat 0g	0%	Total Carbohydrate 18g	6%
		Polyunsaturated Fat 0.5g		Dietary Fiber 3g	12%
		Monounsaturated Fat 0.5g		Sugars 1g	
		Cholesterol 0mg	0%	Protein 5g	
		Vitamin A 0%	• Vitamin C 0%	• Calcium 4%	• Iron 6%
		Thiamine 6%	• Riboflavin 4%	• Niacin 8%	• Folate 4%
Calories 110					
Calories from Fat 20					

MADE WITH WHOLE WHEAT FLOUR, WATER, WHEAT GLUTEN, HIGH FRUCTOSE CORN SYRUP, CONTAINS 2% OR LESS OF: SOYBEAN OIL, SALT, MOLASSES, YEAST, MONO AND DIGLYCERIDES, ETHOXYLATED MONO AND DIGLYCERIDES, DOUGH CONDITIONERS (SODIUM STEAROYL LACTYLATE, CALCIUM IODATE, CALCIUM DIOXIDE), DATEM, CALCIUM SULFATE, VINEGAR, YEAST NUTRIENT (AMMONIUM SULFATE), EXTRACTS OF MALTED BARLEY AND CORN, DICALCIUM PHOSPHATE, DIAMMONIUM PHOSPHATE, CALCIUM PROPIONATE (TO RETAIN FRESHNESS).

122420*

If the ingredient list says "Bleached" flour, "Enriched" flour, or "Wheat Flour, it's just colored "White Bread" and is not a whole grain item. Some labels will say only "Wheat Flour," which contains a small percentage of whole wheat. **If a label says "Wheat Flour," assume it's not *Whole Wheat*. The key-word on the bread label is "Whole."**

Milk

- Fluid milk must be served at breakfast and lunch and may be served as one of the two required components for snack.
- Fluid milk means pasteurized fluid unflavored or flavored skim milk, low fat milk, whole milk, or cultured buttermilk, all of which must meet State and Local standards.
- May be served as a beverage and/or poured over cereal.
- If fruit juice is served for snack, fluid milk may not be served as the only other component.
- Flavored milks are considered high sugar items.
- It is recommended that whole milk be served to 12 - 23 month old children.
- Skim or low-fat (1%) milk must be served to participants ages two and above.

Section 7.3: Types of Meal Service

Meals claimed under the CACFP must be consumed on site, in a congregate setting and may be served traditional-style or family-style. It is best practice for staff not to consume outside food in front of the children.

Traditional-Style

Under this method of meal service, meals are portioned or pre-plated to meet the minimum meal pattern requirement for each participant. The minimum portion of each required food component must be served to the participant all at once. CACFP sites that ration out small portions of each food component because of the possibility of spillage or food waste do not meet CACFP requirements and the meals are not reimbursable.

Family-Style

This method of meal service requires that sufficient amounts of each food component be placed on the table to provide the required minimum portions for all the participants at the table. This includes the staff supervising the meal service, if they eat with the participants. Supervising staff must assume an active responsibility in offering the participant the full required minimum portion of each food component. The children should serve themselves and they do not have to consume each component.

Family style eating provides a learning experience where adults and children can sit together to eat meals and/or snacks. Adults are involved by eating the same food, modeling good eating habits, and, most importantly role-modeling social skills with the children. Proper portion sized utensils should be used in order to determine that the right serving size requirement is being served.

Section 7.4: Requirements of Meal Service

Allowable Meals

The following Meals/Snacks may be claimed for reimbursement:

MEALS	SNACKS	MEALS AND SNACK REIMBURSEMENT IS LIMITED TO
<ul style="list-style-type: none"> • Breakfast • Lunch • Supper 	<ul style="list-style-type: none"> • AM Snack • PM Snack • Night Snack • At-Risk Snack 	<p>Two Meals and One Snack</p> <p>or</p> <p>Two Snacks and One Meal</p> <p>or</p> <p>Three Snacks, per participant per day</p> <p>however Emergency Shelters are excluded from these limitations. Shelters may claim up to 3 meals per participant, per day</p>

Meal Times

When planning meals, sponsors should keep in mind the food needs of participants, their ages, time of their arrival, and length of stay at the center.

Meals must be served within the customary meal times and within the claimable duration of food service. The CACFP defines customary meal time as the “normal” time when a meal is served. For example, breakfast should not be served at 10am. If participants arrive at this hour, they should be served an AM snack.

Meals claimed for reimbursement must be served within the customary meal times but may not exceed the claimable duration of food service allowed as indicated below:

Meal Type	Customary Meal Times	Claimable Duration of Food Service
Breakfast	6am-9am	1 ½ hours
AM Snack	Between B & L	1 hour
Lunch	11am-1pm	2 hours
PM Snack	Between L & S	1 hour
Supper	5pm-7pm	2 hours
Night Snack	After 7pm	1 hour
ANY DEVIATION FROM THIS SCHEDULE REQUIRES WRITTEN APPROVAL FROM ADE*		

* Infants are fed on demand and do not have to adhere to the customary meal times.

Meals must be scheduled far enough apart so the participant has an appetite for the next meal. The CACFP requires a minimum of a two-hour span between the beginnings of each meal. The following are examples claimable meal times. Note the two-hour span between the start of each meal:

Meal Type	Meal Times Example I	Meal Times Example II	Meal Times Example III
Breakfast	7-8:30am	8-9am	6-7:30am
AM Snack	9-10am	10-10:30am	9-9:30am
Lunch	11am-1pm	12-1pm	11am-12pm
PM Snack	2-3pm	2-2:30pm	1:30-2:30pm
Supper	5-7pm	5-6:30pm	5-6pm

Section 7.5: Types of Meal Preparation

The type of meal preparation an institution chooses depends on its own operations, type of menu, availability of food service equipment, food preparation space, staffing, budget, and other factors.

On-Site Preparation

Meals are prepared and served at the same site. This is the most economical method if the facility has a full kitchen, proper food preparation equipment, and available staff. Meals prepared on-site must be inspected by the county's "Environmental Health Services Department." The current and valid kitchen permit must be available for ADE, USDA, or independent auditors.

Contract with a School Food Service Provider

Food service systems where a public or private nonprofit school provides meals that meet CACFP requirements to a child or adult care facility. CACFP organizations who contract with a school food service provider that participates in the National School Lunch Program or the National School Breakfast Program may substitute the meal pattern requirements of those Programs for the meal pattern requirements of the CACFP.

A copy of the standard school food service provider contract is available upon request from ADE. A sponsor who enters into a written agreement or contract with a school food service provider does not relieve itself from the responsibilities of Program compliance. A copy of the signed contract must be submitted to ADE prior to Program operations and reimbursement of meals.

Contract with a Food Service Vendor

The institution enters into a written agreement or contract with the food service vendor to provide meals that meet CACFP requirements. A copy of the standard food service vendor contract is available upon request from ADE. Signing a contract with a food service vendor does not relieve the institution from the responsibilities of Program compliance. A copy of the signed contract must be submitted prior to Program operations and reimbursement of meals. ADE is not responsible for any agreement the provider has with a food service vendor.

Section 7.6: Requirements of Meal Preparation

Menus

The CACFP requires that menus posted at child care facilities must indicate the required components that meet the meal pattern requirements, including limiting high fat items and high sugar items to two times per week. The menus must be posted in an area accessible to parents/guardians and are appropriately dated. All menus are also required to have the following disclaimers:

- Non-discrimination statement (refer to Chapter 6, section 2).
- Juice Disclaimer – must indicate on menus that all juices served are 100% full strength fruit juice.
- Water is available at all times.
- If the center serves “mixed vegetables,” “fruit cocktail,” “tropical fruit salad,” or any other similar item, the menu must specify the individual ingredients in that item on the menu. The purpose of this is to ensure children with food allergies are not accidentally served food(s) they are allergic to.

To assist with meal planning, menus should be planned at least two weeks in advance. Consider the following when planning menus:

- Costs – ADE requires that not less than 50% of your reimbursement be spent solely on food purchases (excluding fuel cost, supplies, or contract fees from distributors). Purchase seasonal fresh fruits and vegetables. Fresh produce tends to be more expensive if bought when not in abundance. Purchase more frozen produce than canned items. Frozen produce is harvested at the peak of the season, providing better quality produce.
- Variety – Prepare a food item in different ways. Instead of serving mashed potatoes, try preparing scalloped or oven-baked potatoes. Serve foods with a variety of color, texture, flavor and temperature. This will make the food more appealing to children.
- Dietary Guidelines – Following the guidelines will assist in planning healthier meals.
- Staff – Take into account the employee who prepares the meals, their experience, and skill in planning and preparing meals.

A cycle menu is a series of menus that are used repeatedly over a designated period of time. If using a cycle menu, the CACFP requires a four-week cycle at the minimum, with no repeating entrées. Cycle menus must be dated to correspond with production worksheets. Sample cycle menus can be found on ADE’s CACFP website at: <http://www.azed.gov/health-nutrition/cacfp/cacfp-memosresourcesmanualsweb-links/menu-ideas-recipes/>

Menu 1 of 2 Date: _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Breakfast					
Grain/Bread	Whole Wheat Toast	Pancakes	Oatmeal	Wheaties	Raisin Bagel
Fruit/Veggie	Nectarines	Applesauce	Blueberries	Strawberries	Banana
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
Lunch	HM Chili Mac	Spaghetti	Chicken Soft Tacos	Hamburger	Turkey Sandwich
Grain/Bread	Macaroni	Spaghetti	Flour Tortillas	Whole Wheat Bun	Whole Wheat Bread
Meat/Meat Alt.	Ground Turkey/Cheese	HM Meat Sauce	Shredded Chicken	Ground Beef Patty	Turkey
Fruit/Veggie #1	Kidney Beans	Broccoli	Lettuce/Tomato	Mashed Potatoes	Corn
Fruit/Veggie #2	Apple Wedges	Peaches	Orange	Grapes	Watermelon
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
AM Snack	Ants on a Log	Cheese Quesadilla			
Select 2 components	Celery/Raisins	Flour Tortilla	Rolled Turkey	Cucumber Slices	Yogurt
	Peanut Butter	Cheese	Carrots	Whole Wheat Toast	Granola
PM Snack					
Select 2 components	Breadsticks	Chocolate chip cookie	Tomato Soup	Hard Boiled Egg	String Cheese
	Marinara Sauce	Milk	Macaroni Noodles	Cranberry Juice	Cantaloupe

Menu 2 of 4 Date: _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Breakfast		Omelet	Yogurt w/		
Grain/Bread	Waffles	Whole Wheat Toast	Granola	Cheerios	WW English Muffin
Fruit/Veggie	Fresh fruit berry blend (strawberries, blueberries, raspberries)	Red, Green Peppers/Salsa	Raspberries	Banana	Oranges
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
Lunch	HM Chicken Stir Fry	HM Pepperoni Pizza	Tuna Casserole	Chicken Quesadillas	Baked Ham
Grain/Bread	Brown Rice	Pizza Crust	Egg Noodles	Flour Tortilla	Whole Wheat Roll
Meat/Meat Alt.	Chicken	Cheese/Pepperoni	Tuna	Chicken/Cheese	Ham
Fruit/Veggie #1	Broccoli/Red Peppers	Pizza Sauce	Peas/Celery	Pinto beans	Green Beans
Fruit/Veggie #2	Baked apples	Pineapple	Pears	Mango	Strawberries
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
AM Snack					
Select 2 components	Grapes	HM French fries	Biscuit with Jelly	Pineapple	Cucumber
	Pretzels	Chili	Milk	Cottage Cheese	Bagel
PM Snack					
Select 2 components	Tuna Salad	Bean Burrito	Kiwi	English Muffin	Cheese
	Pita pocket	Apple Juice	String Cheese	blueberries	Crackers - Saltines

Menu 3 of 4 Date: _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Breakfast					
Grain/Bread	WW Bagel	Kix Cereal	Pancakes	Oatmeal w/ Raisins	Flour Tortilla
Fruit/Veggie	Apricots	Grapes	Blueberries	Strawberries	Baked apples
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
Lunch	HM Chicken Soup	Fish Sticks	Bean Burrito	Baked Chicken	Sloppy Joes
Grain/Bread	Rice	Breading	Flour Tortilla	Whole Wheat Roll	Hamburger Bun
Meat/Meat Alt.	Chicken	Fish (white)	Refried Beans/Cheese	Chicken	Ground Turkey
Fruit/Veggie #1	Celery/Carrots/Potatoes	Corn	Salsa	BBQ Beans	Tomato Sauce
Fruit/Veggie #2	Grapes	Mandarin Oranges	Mixed Fruit	Applesauce	Banana
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
AM Snack					
Select 2 components	Carrots	Waffle	Baked Potato	Fruit Skewers	Cottage cheese
	Brown Rice	Melon	Shredded Cheese	yogurt	peaches
PM Snack					
Select 2 components	Turkey/Ham	Wheat Thins	Bran Muffin	Granola Bar	Breadsticks
	Whole Wheat Bread	String cheese	Milk	Cranberry Juice	Marinara sauce

Menu 4 of 4 Date: _____

	Monday	Tuesday	Wednesday	Thursday	Friday
Breakfast	Breakfast Burrito (Egg/Cheese)				
Grain/Bread	Flour Tortilla	WW Toast w/ Peanut Butter	Shredded Wheat	WW English Muffin	Waffles
Fruit/Veggie	Potato/Salsa/Peppers	Pears	Strawberries	Cantaloupe	Raspberries
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
Lunch	Turkey Dinner	Chicken Nuggets	Vegetable Lasagna	Chili	Bagel Sandwich
Grain/Bread	Dinner Roll	Breading	noodles	Corn Bread	WW Bagel
Meat/Meat Alt.	Turkey w/ Gravy	Chicken (white meat)	Beef and cheese	Ground Turkey	Ham/Cheese
Fruit/Veggie #1	Corn/Mashed Potatoes	HM French Fries	Tomato Sauce/broccoli/Carrots	Kidney Beans	Lettuce/Tomato
Fruit/Veggie #2	Fruit Salad	Plum	Grapes	Pineapple	Green Apple
Milk	Whole/1%	Whole/1%	Whole/1%	Whole/1%	Whole/1%
AM Snack					
Select 2 components	Mango	Bagel w/cream cheese	Cottage Cheese	Tortilla	Hard Boiled Egg
	Crackers	banana	Peaches	Peanut Butter	Oranges
PM Snack			Grilled Cheese		
Select 2 components	WW bread	Cranberry Muffin	WW Bread	Breadstick	Corn Bread
	Chicken salad	Milk	Cheese	Apple Juice	Carrots

Whole milk will be provided for children 12 to 23 months of age and 1% milk will be provided for all children ages 2 and over. Water is always available. All juices served are 100% fruit juice.

This institution is an equal opportunity employer and provider.

Mixed fruit has pears, peaches, pineapple, and cherries.

Fruit Salad has strawberries, oranges, grapes, and apples.

Changes made to the menu due to seasonal changes or food substitutions must be noted on the menu or cycle menu, and the appropriate calculation adjustments must be made on the corresponding production worksheet. Menu plans must be dated and posted in a public place (i.e. bulletin boards). Menu substitutions must be documented. For further information on menu planning please refer to the *CACFP Creditable Foods Guide* and the *CACFP Simplified Buying Guide*. To obtain a copy of either guide, go to: <http://www.azed.gov/health-nutrition/cacfp/child-centers/resources/>

Production Worksheets

Production worksheets are used to ensure that sufficient amounts of food are prepared for the number of participants claimed and staff served. Production worksheets should be completed in advance, prior to meal preparation, and used as a tool to:

- Plan for the amount of food needed
- Be used as a food purchase list
- Record actual amounts of food used

Refer to Chapter 5 for more information regarding production worksheets.

Section 7.7: Food Substitutions/Modifications

Meals served to participants and claimed for reimbursement must meet the meal pattern requirements (See Section 7.1: Meal Component Requirements). Food substitutions or modifications may be made if a participant is unable to consume foods as listed in the meal pattern due to medical reasons or other special dietary needs. Meals containing substitutions because of medical or special dietary needs may be claimed only when supported by a statement from a recognized medical authority. A recognized medical authority may include, but is not limited to, a medical physician (MD), registered nurse (RN), or registered dietitian (RD). The medical statement must include a list of recommended food substitutes or alternatives and the food(s) to be omitted from the participant's diet. Medical statements for food substitution(s) must be maintained on file at the site. The following is a CACFP Medical Statement (Note: Prescription pads are acceptable in lieu of the medical statement as long as it contains all the required information). This statement is available at <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/>

CHILD & ADULT CARE FOOD PROGRAM
MEDICAL STATEMENT FOR PARTICIPANTS REQUIRING FOOD SUBSTITUTIONS

Name of Participant:	Date of Birth:	
Parent Name:	Parent Telephone Number:	
Name of Center:	Telephone Number of Center:	
Address of Center:		
Dear Parent/Guardian:		
<p>This day care center participates in the Child and Adult Care Food Program (CACFP) and must serve meals and snacks meeting the CACFP requirements. Food substitutions may be made only when supported by a recognized medical authority. A recognized medical authority may include, but is not limited to a medical physician, registered nurse, or registered dietitian. The recognized medical authority must specify, in writing, an indication of the medical or other special dietary condition which restricts the participant's diet; the food to be omitted and the food or choice of foods that may be substituted. Please have a medical authority complete and sign this form. Return it to the center director upon completion.</p>		
1. Identify the medical or special dietary condition which restricts the participants diet:		
<p>The participant has the following <u>disability</u> as defined under Section 504 of the Rehabilitation Act or Part B of IDEA which requires food substitutions:</p> <p>_____</p> <p>_____</p> <p>The participant has the following <u>food allergy</u> that may result in a severe, life-threatening (anaphylactic) reaction which therefore meets the definition of a disability and requires food substitutions: _____</p> <p>_____</p> <p>The participant has the following <u>food intolerance</u> which does not meet the definition of a disability but it is preferred that certain foods be avoided:</p> <p>_____</p> <p>_____</p>		
2. Explain why the disability restricts the diet and the major life activity affected by the disability:		
<p>_____</p> <p>_____</p> <p><input type="checkbox"/> N/A Participant is not disabled</p>		
3. List the food or foods to be omitted from the diet and the food or foods that are to be substituted:		
Foods to be omitted	Allowable Substitutions	Additional instructions, requirements, or modifications (such as special equipment, texture, thickness, etc.)
4. Certify that the participant must be provided the special diet or accommodations indicated above:		
Printed Name	Title	
Signature	Date	

Individuals with food allergies or intolerances do not have a disability as defined under 7 CFR 15b.3 of the USDA's nondiscrimination regulations. Institutions are *strongly* encouraged but not required to make substitutions for food allergies and intolerances. If the parent/guardian provides the substitution, then that child's meal(s) is not reimbursable. However, when food allergies may result in severe, life-threatening (anaphylactic) reactions, the participant's condition does meet the definition of *disability*, and the substitutions *must* be made. Documentation regarding the child's disability and modifications required must be provided by a **licensed physician** and maintained in files on site. For additional information regarding food allergies visit:

<http://healthymeals.nal.usda.gov/resource-library/special-diets/food-allergies>

Food substitutions due to personal preferences (i.e. vegetarian) may be made if the food substitution(s) meet the meal pattern requirements (i.e. component and portion size). Substitutions must be documented and maintained on file.

If substitutions do not meet the meal pattern, that meal cannot be claimed for reimbursement. For example, a parent requests that their child receive soy milk instead of cow's milk at all meals. That meal is only reimbursable if a medical statement is signed by a medical authority and kept on file, and the center supplies the soy milk. If a medical statement signed by a medical authority is not on file and/or if the parent provides the soy milk, then all meals served to that child may not be claimed for reimbursement.

ADE may approve variations in meal patterns to meet religious needs. If a center wants to serve meals that vary from USDA Meal Patterns, you must submit a written alternate meal pattern with justification for approval.

- Please contact your specialist for current approved meal pattern exemptions for Jewish schools, institutions, and Sponsors.

Substitutions that can be made without deviating from the required meal pattern may be made at any time and does not require a medical statement signed by a medical authority.

7.8: Food Safety

Food scares such as *E. coli* have heightened interest in food traceability. The capability of tracing the origin of food increases the possibility of legal remedy and compensation in the case of a food safety incident. You can review FDA Recalls for the last 60 days at <http://www.fda.gov/Safety/Recalls/default.htm>

The very best defense in the case of a food borne illness complaint is a documented food temperature log of potentially hazardous foods. Use thermometers to check food temperatures prior to serving any hot or cold item. Record the time and temperatures on a Food Temperature Log. The 2005 FDA Food Code requires that:

- Cold food must be kept at or below 40°F until served
- Hot food must be kept at or above 140°F until served
- Thermometers must be in both the refrigerator and freezer
- All stored foods must be sealed, labeled, and dated for all items not in original containers.

Required Food Safety Certifications

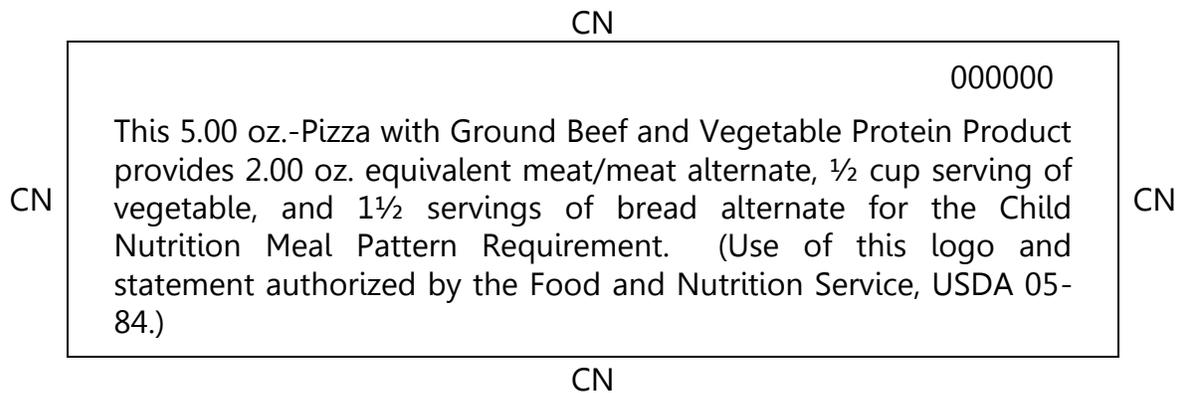
Each county in Arizona sets its own requirements for food safety certifications. Ensure your center meets your county requirements for the following:

- Food Safety Manager
- Note: ADE may offer the ServSafe Certification Exam. Please contact your specialist if you are interested.
- Food Handlers Cards are required for all CACFP staff that handles food, regardless of county requirements. Any staff person(s) who handles or serves food must meet this requirement.

Section 7.9: Convenience Foods

Processed foods, commercial products, or convenience foods such as breaded meat products, frozen pizza, or other combination foods that are served to meet more than one component must have a CN-label. The CN-label contains a statement that clearly identifies the contribution the product makes toward the meal pattern requirements. A product analysis sheet signed by the food manufacturer must be obtained if the convenience food does not have a CN-label. The product analysis sheet must state the amount it contributes toward the meal pattern requirements. If a CN label or product analysis sheet is not available, then that item cannot be claimed for reimbursement and should be replaced with a creditable entrée. All documentation regarding convenience foods must be maintained on file. Please note that CN Labels expire, so make certain your file copy is current. If no information is available at the time of an audit or review, meals containing the convenience food(s) may be disallowed. The following is a sample of a CN Label and a Product Analysis sheet

Sample CN Label



Some common items that require a CN label are:

- Chicken patties/nuggets
- Cheese or meat pizzas
- Beef, cheese, or bean burritos
- Egg rolls
- Breaded fish sticks
- Corn dogs

PRODUCT ANALYSIS DATA

PRODUCT NAME: Chicken Nuggets XXXX
PRODUCT CODE: 00000
PACK: 12 - 4 LB. BAGS
NET WT.: 48 LBS.

Sample

VARIETY(IES) OF MEAT USED IN PRODUCT:
CHICKEN BREAST INCLUDING RIB MEAT AND THIGH MEAT

TOTAL WEIGHT OF UNCOOKED PRODUCT: .72 OZ.

WEIGHT OF RAW MEAT: .44437 OZ.

PERCENT FAT OF RAW MEAT: 8-20%

WEIGHT OF DRY VPP: N/A

WEIGHT OF HYDRATED VPP: N/A

WEIGHT OF RAW MEAT AND HYDRATED VPP: N/A

PERCENT VPP
(ON A FULLY HYDRATED BASIS REPLACING RAW MEAT): N/A

WEIGHT OF DRY WHOLE EGG: N/A

WEIGHT OF OTHER MEAT PORTION INGREDIENTS: .06643 OZ.

WEIGHT OF BREADING (IF USED): .209 OZ.

TOTAL WEIGHT OF READY TO COOK PRODUCT: .72 OZ.

I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE AND CORRECT AND THAT THE ABOVE MEAT PRODUCT (ONE NUGGET, READY FOR COOKING), CONTAINS .31 OUNCES OF COOKED LEAN MEAT/MEAT ALTERNATE WHEN PREPARED ACCORDING TO DIRECTIONS.

COMPANY OFFICIAL'S SIGNATURE

TITLE

COMPANY

DATE

For further information on documenting convenience foods, please refer to the *CACFP Creditable Foods Guide* at <http://www.azed.gov/health-nutrition/files/2011/06/creditable-food-guide-2014.pdf>

Section 7.10: Infant Feeding Requirements

Child care centers must offer program meals to ALL eligible children, including infants.

The CACFP does not discriminate in any aspect of the delivery of program benefits. This includes the “inequitable allocation of Program (CACFP) benefits or services to eligible children on the basis of race, color, national origin, sex, **age**, or handicap [disability]” (FNS Instruction 113-4 XII A 2).

Meal Pattern for Infants

	Birth - 3 months	4 - 7 months	8 - 11 months
Breakfast	4-6 fluid ounces breast milk or iron-fortified infant formula	4-8 fluid ounces breast milk or iron-fortified infant formula 0-3 tablespoons infant cereal (optional)	6-8 fluid ounces breast milk or iron-fortified infant formula 2-4 tablespoons Iron-fortified infant cereal 1-4 tablespoons fruit and/or vegetable
Lunch or Supper	4-6 fluid ounces breast milk or iron-fortified infant formula	4-8 fluid ounces breast milk or iron-fortified infant formula 0-3 tablespoons infant cereal (optional) 0-3 tablespoons fruit and/or vegetable (optional)	6-8 fluid ounces breast milk or iron-fortified infant formula 1-4 tablespoons fruit and/or vegetable 2-4 tablespoons infant cereal or 1-4 tablespoons meat, fish, poultry, egg yolk, cooked dry beans, or dry peas, or ½-2 ounces cheese or 1-4 ounces cottage cheese, cheese food, or cheese spread
Supplement	4-6 fluid ounces breast milk or iron-fortified infant formula	4-8 fluid ounces breast milk or iron-fortified infant formula 0-3 tablespoons infant cereal (optional)	2-4 fluid ounces breast milk, iron-fortified infant formula, or full strength 100% fruit juice 0-1/2 slice bread or 0-2 crackers (optional)
<ul style="list-style-type: none"> ▪ Juice may not be served as a fruit and/or vegetable component at breakfast, lunch, or supper ▪ 0-3 T means the component is <u>optional</u>; and ▪ Portion size not listing zero as a measurement indicates that component must be offered. 			

Water must be available at all times.

Iron-fortified Required

- Formula and Infant cereal must be iron-fortified.
- Label must state “with iron” or “iron-fortified.”

The following list, provided by USDA, indicates which soy-based infant formulas are creditable and do **not** require a medical statement. This list is not all-inclusive.

Mead Johnson Enfamil ProSobee Lipil	Mead Johnson Enfamil Lactofree Lipil	Nestle Good Start Soy DHA & ARA
Ross Similac Go and Grow Soy-based Milk	Ross Similac Isomil Advance	

PBM (formerly known as Wyeth) - produced private label store brand soy-based infant formulas:

AAFES/NEXCOM Baby's Choice Soy Infant Formula	AAFES/NEXCOM Baby's Choice Soy Infant Formula with DHA & ARA	Albertson's Baby Basics Soy Infant Formula with DHA & ARA
+HyVee Mother's Choice Soy Infant Formula	HyVee Mother's Choice Soy Infant Formula with DHA & ARA	Kozy Kids Soy-based Infant Formula with DHA & ARA

Kroger Comforts Soy Infant Formula with Iron and DHA & ARA	Parent's Choice Infant Formula with Soy and DHA & ARA	PathMark Soy Infant Formula with DHA & ARA
Price Chopper Soy Infant Formula with Iron and DHA & ARA	Rite Aid Soy Infant Formula with DHA & ARA	Target Soy with Iron
Target Soy Infant Formula with Iron and DHA & ARA	Top Care Soy Infant Formula with DHA & ARA	Walgreens Soy Protein Formula with Iron and DHA & ARA
Wegman's Soy Infant Formula with Iron and DHA & ARA	Western Family Soy Infant Formula with DHA & ARA	

Follow-up Iron-fortified Formulas That *Do Not Require* Medical Statements When They are Served to Infants at the Ages Indicated

When Served to Infants 4 Months and Older:

These types of formulas do not require medical statements when they are served to infants 4 months of age or older. (A medical statement is required if any of them is served to infants younger than 4 months of age.):

Mead Johnson Enfamil Next Step Lipil	Mead Johnson Enfamil Next Step Prosoabee Lipil	Nestle Good Start 2 DHA and ARA
Nestle Good Start 2 Natural Culture	Nestle Good Start 2 Soy DHA and ARA	

Note: Cow's milk may not be served to infants 0-11 months without a written medical statement signed by a medical authority. Due to choking hazards, cereal may not be fed to an infant out of a bottle, unless supported by a medical statement signed by a medical authority.

Claiming Requirements

- Centers must purchase and offer all required meal components.
- Parent/Guardian may decline offered infant formula in writing.
 - Infant Feeding Preference Form must be completed when formula or food(s) being offered by the center is declined by the parent/guardian.
- If parent/guardian chooses to provide formula/breast milk, the meal is reimbursable unless the mother comes to the center to nurse (exception: she is a staff member).

- Meals are NOT reimbursable if parent/guardian provides all components for 8-11 month infants – the center must provide at least one component.

Commercially-Prepared Vegetables/Fruits

- Creditable:
 - Must list vegetable/fruit as first ingredient
- Non-creditable:
 - Mixed jarred foods (i.e. chicken and carrots)
 - Foods with “dessert” or “pudding” in product name listing fruit as first ingredient
 - Jarred cereals with fruit

Meat & Meat Alternates

- Non-creditable:
 - Fish sticks, other breaded fish, or seafood products, hot dogs, and sausage NOT designed by manufacturer for infant consumption
 - Meat sticks (look like miniature hot dogs)
 - Commercially-prepared combination dinners. They are difficult to determine actual amount of various food components in dinners and may be served as “extras.”
 - Yogurt does not meet meal pattern requirements as meat alternate

Non-Creditable Foods

- Honey
 - Contains harmful botulism spores
- See Creditable Foods Guide (Infant Section)

Refer to Chapter 5 for information on completing required infant records.

CHAPTER 8

Administrative Reviews and Audits



ADMINISTRATIVE REVIEWS AND AUDITS

CHAPTER 8

Section 8.1: Frequency/Purpose

Pre-approval Visits

During the final stages of the application process, ADE will conduct a pre-approval visit. The purpose of this visit is to ensure the applying organization is eligible to operate the CACFP. Once the hard copy application is complete, the assigned specialist will contact the applying organization to schedule the pre-approval visit.

Welcome Visits

ADE will visit all new sponsors within the first 90 days of participation in the CACFP. A CACFP Specialist will review program records and recordkeeping procedures and provide technical assistance as needed. Welcome visits allow the Specialist to identify any potential problems that may arise and provides the opportunity to assist in correcting them. Welcome visits do not apply to sponsors who have five or more sites. A full administrative review will be conducted in lieu of the welcome visit.

Technical Assistance Visits

Each business day from 8am-5pm, a CACFP Specialist is assigned to receive incoming calls from CACFP participants to provide them with any technical assistance needed. The CACFP Specialist can be reached by dialing 602-542-8700. Ask to speak to the CACFP Specialist of the Day. Specialists are also available to conduct technical assistance visits on-site if a participant has a specific program area that needs further clarification or requires additional training (i.e. production worksheets, infant requirements). On-site technical assistance visits must be requested in writing.

Reviews

All CACFP institutions are subject to administrative reviews conducted by ADE staff, by duly authorized Program consultants, or by USDA staff. The ADE is required to conduct a percentage of unannounced reviews. Federal regulations do not require advance notification. If the review is announced, institutions are notified two to four weeks prior to the review date.

Administrative reviews are conducted:

- Every three years at a minimum.
- Within the first 90 days during the first year of participation. This applies only to sponsors who have five or more sites. Those with five or more sites do not receive a Welcome Visit, as mentioned above.
- When an institution is found to be seriously deficient, reviews will be conducted no less frequent than once a year until deficiencies are corrected. The scope of review involves records for the current fiscal year and may also involve a review of prior year's records, if necessary.

Audits

Audits shall be conducted in accordance with Circulars A-133 and A-110 of the Office of Management and Budget and the Uniform Federal Assistance Regulations (7 CFR part 3015) of the USDA. Audits are conducted by ADE/H&N staff or duly authorized Program consultants. Sponsors are notified prior to the audit date. The ADE/H&N reserves the right to conduct unannounced audits. Federal regulations do not require advance notification.

Administrative audits are conducted based on the total federal assistance expended. Audits encompass the current fiscal year and/or a closed fiscal year. An audit may be conducted during a current fiscal year; however, the scope of an audit may involve records from a prior fiscal year.

Agreed Upon Procedure Engagements

Because audits are based on Program reimbursement, not all sponsors will meet the financial threshold for audit requirements. Such sponsors may undergo an Agreed Upon Procedure Engagement instead. An Agreed Upon Procedure Engagement is similar in scope to an audit and will focus on many of the same areas.

The following is a list of items that are required for a review:

1. Meal benefit forms
2. Claiming Percentage Rosters F/R/P
3. Sign-in/out (attendance) Records
(multiple sites/centers must provide for month indicated and 5 days prior to review date)
4. Enrollment Emergency Forms
5. (Blue/Cards)
6. Title XX DES Billing Records*
Point of Service Meal Count Sheet
(multiple sites/centers must provide for month indicated and 5 days prior to review date)
7. Meal Count Summary
8. Infant Daily Meal Production Records*
9. Infant Feeding Preference Forms*
Menu (with dates for the month being reviewed on it)
10. Medical Statements for Meal/Milk
11. Substitutions for Medical Reasons*
Child Nutrition (CN) Labels*
Menu Production Worksheets*
Procedure for Complaints of Discrimination
12. Civil Rights Pre-Award Compliance
13. Review
14. Civil Rights Compliance Data Collection
15. Internal Civil Rights Training Materials
16. Current License/Sanitation Permit
17. Food Handler Cards
18. Food Safety Manager Card*
Monitoring and training documents for multiple site/center sponsors*
19. Time Distribution Reports
20. Food Service Cost Report/CACFP
21. Expense Worksheet (receipts, invoices, leases, etc.)
22. Management Plan
23. CACFP Policies and Procedures (record maintenance/job descriptions/block claiming)
24. Permanent Agreement
25. Procurement Standards Guidelines
26. Administrative Review Procedures
27. Food Service Vender Contract
28. Food Service Vender Invoices

***If applicable**

Section 8.2: Program Compliance/Verification

As part of the CACFP review or audit, all records to support any claims filed for reimbursement must be made available within a reasonable amount of time, authorizing ADE staff and duly authorized consultant's access to examine and copy such records and inspect facilities during normal business hours.

Fiscal action may be taken for findings found under the following areas:

- Classification of children under free, reduced or paid categories
- Sign-in/sign-out, enrollment, attendance records
- Title XX assist billing forms (applicable to for-profit sponsors)
- Meal count records and point-of-service meal count system
- Observed meal
- Menus and production worksheets
- Reimbursement claim forms

Corrective action may be required for violations found under the following areas in addition to areas stated above:

- Required recordkeeping
- Civil rights compliance
- Training and monitoring responsibilities
- Current license, health/safety inspections, sanitation permits
- Current Food Service Agreement
- Procurement/purchasing standards
- Tax-exempt status (non-profit status)
- Administrative and operating labor costs and purchased services
- Costs for food and supplies
- Income to the program (adult meals in excess of the 5:1 ratio/donated food)
- Free and reduced price eligibility process

Conditions by which a sponsor will be considered seriously deficient may include, but is not limited to the following:

- Noncompliance with applicable bid procedures and contract requirements
- Submission of false information to the ADE
- Failure to maintain Program records
- Claiming meals not served to children
- Serving meals that do not contain required components or amounts
- Continued use of food service providers/vendors who are in violation of health codes
- Refusing facility access to ADE staff or USDA staff
- Permission of an individual on the National Disqualified List

- Failure to operate program in conformance to performance standards
- Failure to follow Federal procurement regulations
- Invalid Title XX claiming
- Failure to properly train or monitor facilities
- Failure to disburse payments to facilities
- Conviction of institution or principals indicating lack of integrity
- Failure to adjust meal orders to conform with the number of participants
- Failure to maintain adequate records
- Failure to submit corrective action
- Failure to permanently maintain corrective action
- Claiming for significant number of meals that do not meet program requirements
- Use of FSMC that is in violation of health codes
- Failure to perform financial and administrative duties

Sponsors determined to be seriously deficient who do not satisfactorily implement or maintain corrective action shall be terminated from CACFP. For more information on serious deficiencies, please refer to Chapter 12. Findings affecting participation or claims for reimbursement may be appealed by following the CACFP Appeal Procedure included in the CACFP application packet.

CHAPTER 9

Training and Monitoring Requirements



TRAINING AND MONITORING REQUIREMENTS

CHAPTER 9

Section 9.1: Training & Monitoring for Sponsors with Multiple Sites and Owners of Multiple Single Sites

Federal regulations require the ADE to provide training and technical assistance to CACFP sponsors to facilitate effective Program operations, monitor progress toward achieving Program goals, and ensure compliance with civil rights requirements. The CACFP requires that **all** sponsors and independent centers or institutions provide adequate training annually for personnel who are involved in Program operations. Sponsors with multiple sites and owners of multiple single sites are also required to monitor Program compliance.

- **ADE Training** - The ADE/H&N provides monthly workshops for new sponsors and for sponsors who require additional training or more information in Program administration and operation. New sponsors are required to attend all three tracks (Business Track, Nutrition Track, and Computer Track) of the CACFP training workshops before their application will be processed. The CACFP encourages existing sponsors to extend training opportunities to their staff who are responsible for Program operations. The workshops cover the application process, recordkeeping requirements, rules and regulations, and meal requirements for the CACFP. Information on CACFP workshop schedules may be obtained by calling the ADE Office, by going to <http://www.azed.gov/health-nutrition/cacfp/required-classes/> or by checking the CACFP website at <http://www.azed.gov/health-nutrition/cacfp/>
- **Training Requirements** - All sponsoring organizations and institutions are required to provide training on Program duties and responsibilities to all key staff prior to Program operations, and at least annually thereafter. Documentation of the date, location, and topics covered, as well as the attendance roster of the staff training must be maintained on file and submitted annually to ADE with the application renewal. Topics covered in the annual training must be related to CACFP administration or operation, food safety and sanitation, and nutrition. The workshops made available by the ADE/H&N may not be used to meet the annual training requirement. The following are the minimum required training topics:

Minimum Content Areas	Examples of training topics
Meal Pattern Requirements	<ul style="list-style-type: none"> • Child & infant meal patterns • Meal components • Portion sizes • Reimbursable meals • Creditable and no-creditable foods
Meal Count Documentation	<ul style="list-style-type: none"> • Meal counts separate from attendance • Point of service meal counts • Reimbursable meals
Record Keeping	<ul style="list-style-type: none"> • Daily attendance • Meal counts, menus and food production records • Special diet statement forms • Infant Production Worksheets
Claims Submission	Compare: <ul style="list-style-type: none"> • Point of service meal counts to summary • Menus to meal pattern
Reimbursement System	<ul style="list-style-type: none"> • Monthly claim submission dates • Monthly claim edit checks • Claim preparation • CACFP record retention
Civil Rights	<ul style="list-style-type: none"> • Program Availability • Complaint Procedures • Non-Discrimination Statement

- **Pre-approval visit** – For sponsors with more than one site, pre-approval visits must be conducted on sites for which a new application is made. Program information, Program benefits, and verification that the proposed food service does not exceed the capability of the child care facility must be discussed during such visit. Documentation must be maintained on file at the site. A copy of the *Child Care Monitor Evaluation Form* is available on the CACFP website at <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/> For additional information see Chapter 3, Section 3.4 - Addition of New Sites.
- **Monitoring visits** – On-site visits must be conducted to assess compliance with the meal patterns, recordkeeping, and other Program requirements. At least three visits must be conducted every year at each site, provided one visit is made during the first four weeks of Program operations and not more than six months elapses between monitoring visits. At least two of the three visits must be unannounced and one of those unannounced visits must include a meal observation. It is a best practice to observe a meal during each review. Organizations with 25 or more sites must create a monitoring policy and submit it to ADE. A copy of the *Child Care Center Monitor Evaluation Form* is available on the CACFP website at <http://www.azed.gov/health-nutrition/cacfp/child-and-adult-care-centers/application-and-recordkeeping-forms/>

A monitor should be someone who is NOT involved in the day-to-day operations, is NOT a member of the Board or advisory group, is NOT a parent, and is NOT a staff person involved in the food service operation. All staff involved with the CACFP must be trained in procedures and requirements of the Program prior to the beginning of Program operation and administration.

- Five-Day Reconciliations

Five Day Reconciliation Reviews are a part of the monitoring evaluation process. The purpose of the five-day Reconciliation Review is to determine whether meal counts are accurate prior to submitting your claims. It's important to remember that daily meal counts should never exceed daily attendance or the licensed capacity. Five-day Reconciliations are to be completed during each monitoring visit. If there are discrepancies between meal counts and attendance you'll need to ensure mistakes in meal counts are not claimed and documentation of corrective action is provided to address discrepancies with the staff.

- 7 CFR 226.16(d)(4)(ii) states that all reviews must examine meal counts recorded for five consecutive days during the current and/or prior claiming period.
- Sponsors and ADE will conduct five-day reconciliations (see next page for a copy of ADE's five-day reconciliation form followed by steps on how to complete). Reconciliations:
 - Must be done at every monitoring visit.
 - May use a 10% sample to reduce workload by selecting a classroom, collecting that classroom's Point of Service Meal Count Sheet and sign in/sign out sheets for the children in the classroom selected.
- Review the most recent five consecutive days of meal counts for each approved meal type to ensure that meal counts do not exceed the number of participants in attendance on any day.
- Based on that comparison, reviewers will determine whether the meal counts were accurate.
- If there are no enrollment or attendance records (such as in emergency shelters), a more general review of the facility's meal counting and claiming procedures would be conducted without a five-day reconciliation.
- Remember that meal counts should never exceed licensed capacity or attendance [7 CFR 226.17(b)(4) and 226.18(e)].

ADE 5-Day Reconciliation Form
(For Multiple Site Sponsors and Multiple Single Center Participants)
(Not Applicable for Emergency Shelters)

Site Name: _____ CTD #: _____-_____-_____

Total Number of Participants **Enrolled** (based on claim): _____ **Licensed Capacity:** _____

Total Number of Participants **Claimed** (based on meal count summary):

	Meal	1 Day Before Date:	2 Days Before Date:	3 Days Before Date:	4 Days Before Date:	5 Days Before Date:
	Breakfast					
	AM Snack					
	Lunch					
	PM Snack					
	Dinner					
	Evening Snack					

Total Number of Participants in **Attendance** (based on sign in/sign out sheets):

Meal Service Times	Meal	1 Day Before Date:	2 Days Before Date:	3 Days Before Date:	4 Days Before Date:	5 Days Before Date:
	Breakfast					
	AM Snack					
	Lunch					
	PM Snack					
	Dinner					
	Evening Snack					

Compare the tables above. Are there any discrepancies between the numbers claimed and the numbers in attendance? Yes No If yes, determine whether an over or under claim occurred and provide details. In addition, list corrective action assigned to resolve issue: _____

How to complete the 5-Day Reconciliation Review Form:

STEP 1: Enter dates to be reconciled and meal service times:

TOTAL NUMBER OF PARTICIPANTS <u>CLAIMED</u> (BASED ON MEAL COUNTS FROM MEAL COUNT SUMMARY)						
	Meal	1 Day Before Date: 6/15	2 Days Before Date: 6/14	3 Days Before Date: 6/13	4 Days Before Date: 6/12	5 Days Before Date: 6/11
	Breakfast					
	AM Snack					
	Lunch					
	PM Snack					
	Eve Snack					

TOTAL NUMBER OF PARTICIPANTS IN <u>ATTENDANCE</u> (BASED ON SIGN IN/SIGN OUT SHEETS)						
	Meal	1 Day Before Date: 6/15	2 Days Before Date: 6/14	3 Days Before Date: 6/13	4 Days Before Date: 6/12	5 Days Before Date: 6/11
6:00 – 7:30 am	Breakfast					
9:00 – 9:30 am	AM Snack					
11:00 – 12:30 pm	Lunch					
N/A	PM Snack					
N/A	Eve Snack					

STEP 2: Enter number of meals claimed for each of the five days listed:

TOTAL NUMBER OF PARTICIPANTS <u>CLAIMED</u> (BASED ON MEAL COUNTS FROM MEAL COUNT SUMMARY)						
	Meal	1 Day Before Date: 6/15	2 Days Before Date: 6/14	3 Days Before Date: 6/13	4 Days Before Date: 6/12	5 Days Before Date: 6/11
	Breakfast	25	24	26	20	19
	AM Snack	28	24	26	18	17
	Lunch	24	24	25	18	20
	PM Snack					
	Eve Snack					

STEP 3: Enter the number of children in attendance during the listed meal times. This must be based on the sign in/out sheets:

TOTAL NUMBER OF PARTICIPANTS IN <u>ATTENDANCE</u> (BASED ON SIGN IN/SIGN OUT SHEETS)						
	Meal	1 Day Before Date: 6/15	2 Days Before Date: 6/14	3 Days Before Date: 6/13	4 Days Before Date: 6/12	5 Days Before Date: 6/11
6:00 – 7:30 am	Breakfast	25	24	26	20	19
9:00 – 9:30 am	AM Snack	28	24	26	18	18
11:00 – 12:30 pm	Lunch	24	24	25	18	19
N/A	PM Snack					
N/A	Eve Snack					

STEP 4: Compare the two tables and indicate if there are any discrepancies resulting in an over-claim:

TOTAL NUMBER OF PARTICIPANTS <u>CLAIMED</u> (BASED ON MEAL COUNTS FROM MEAL COUNT SUMMARY)						
	Meal	1 Day Before Date:6/15	2 Days Before Date:6/14	3 Days Before Date:6/13	4 Days Before Date:6/12	5 Days Before Date:6/11
	Breakfast	25	24	26	20	19
	AM Snack	28	24	26	18	17
	Lunch	24	24	25	18	20
	PM Snack					
	Eve Snack					

TOTAL NUMBER OF PARTICIPANTS IN <u>ATTENDANCE</u> (BASED ON SIGN IN/SIGN OUT SHEETS)						
Meal Service Times	Meal	1 Day Before Date: 6/15	2 Days Before Date: 6/14	3 Days Before Date: 6/13	4 Days Before Date: 6/12	5 Days Before Date: 6/11
6:00-7:30 am	Breakfast	25	24	26	20	19
9:00-9:30 am	AM Snack	28	24	26	18	17
11:00 - 12:30pm	Lunch	24	24	25	18	19
N/A	PM Snack					
N/A	Evening					

Compare the tables above. Are there any discrepancies between the numbers claimed and the numbers in attendance? Yes No. If Yes, determine whether an over or under claim occurred and provide details. In addition, list corrective action assigned to resolve issue.

In this example there is a discrepancy between the number of meals claimed and the number of children in attendance on 6/11. Claims will need to be adjusted on the "Meal Count Summary."

CHAPTER 10

Free and Reduced Price Policy



FREE AND REDUCED PRICE POLICY

CHAPTER 10

Section 10.1: Non-Pricing Policy

Federal regulations require institutions who administer the CACFP to submit a free and reduced-price policy statement to serve meals to enrolled children at no separate charge at the time a Program application is submitted. Institutions cannot participate in the CACFP until ADE has approved the free and reduced price meals policy statement.

Sponsors who elect to serve meals at no separate charge shall develop a policy statement that includes an assurance to ADE that all participants are served the same meals at no separate charge regardless of race, color, national origin, sex, age, or disability. For convenience, ADE has developed a non-pricing policy that, once signed by the institution, will fulfill the aforementioned requirement. Refer to section 10.3 for more information on the *Free and Reduced Price Policy Statement*.

ADE reserves the right to review all approved free and reduced price meals applications and verify information provided on the approved meal benefit form for free and reduced price meals during Program reviews and audits. ADE shall inform the sponsor of the results of the verification effort and the action that will be taken in response to the verification findings.

Section 10.2: Pricing Policy

Sponsors who charge separately for meals shall develop a policy statement for determining eligibility for free and reduced price meals. Reimbursement will be made only for meals served to children who qualify for such meals. The policy statement shall include the following:

- Process of determining eligibility for free and reduced priced meals.
- Description of the method(s) to be used in accepting meal benefit form from families for free and reduced price meals.
- Description of the method(s) to be used to collect payments from participants paying full price for meals and method(s) of maintaining the confidentiality of participants receiving free or reduced priced meals.
- Establish a hearing procedure for use when benefits for free and reduced price meals are denied or terminated.
- Assurance that confidentiality will be maintained for participants receiving free and reduced price meals and there will be no discrimination against any participant on the basis of race, color, national origin, sex, age, or disability.
- Assurance charges for reduced price lunch/supper will not exceed 40 cents, reduced price breakfast will not exceed 30 cents, and reduced price supplement will not exceed 15 cents.
- Submit a public release to the media serving the area from which the center draws its attendance. The public release shall include the nondiscrimination statement and the availability of the free and reduced price meals to children meeting the approved eligibility criteria.
- Notify households or guardians of enrolled participants in writing of the eligibility and application procedures, income standards, and the household's responsibility to notify the sponsor of any loss of income and/or increase or decrease of income over \$50 per month or \$600 per year. Notification must also include the nondiscrimination statement.

ADE reserves the right to conduct verification of eligibility for free and reduced price meals and verify information provided on the approved meal benefit form for free and reduced price meals on an annual basis. ADE shall inform the sponsor of the results of the verification effort and the action that will be taken in response to the verification findings.

Please note that the CACFP Permanent Agreement specifically states that the institution agrees to operate a non-pricing program and will not charge for meals.

<u>FREE</u>				<u>REDUCED</u>			
<i>Family Size:</i>	<i>*Year</i>	<i>**Month</i>	<i>**Week</i>	<i>Family Size:</i>	<i>*Year</i>	<i>**Month</i>	<i>**Week</i>
1	15,171	1,265	292	1	21,590	1,800	416
2	20,449	1,705	394	2	29,101	2,426	560
3	25,727	2,144	495	3	36,612	3,051	705
4	31,005	2,584	597	4	44,123	3,677	849
5	36,283	3,024	698	5	51,634	4,303	993
6	41,561	3,464	800	6	59,145	4,929	1,138
7	46,839	3,904	901	7	66,656	5,555	1,282
8	52,117	4,344	1,003	8	74,167	6,181	1,427
<i>Each Additional Member Add:</i>	+5,278	+440	+102	<i>Each Additional Member Add:</i>	+7,511	+626	+145

Meals will be provided at: _____
 (LOCATION)

Signed _____

The ADE/H&N assumes responsibility to submit a public release annually for sponsors who renew their application to participate in the CACFP. The public release notifies the media of all the sponsors' intent to administer and operate the Program without discrimination on the basis of race, color, national origin, sex, age, or disability.

CHAPTER 11

Procurement Standards & Guidelines



PROCUREMENT STANDARDS AND GUIDELINES

CHAPTER 11

Section 11.1: Procurement Standards & Guidelines

The following Procurement Standards & Guidelines must be followed:

Child and Adult Care Food Program regulations require that all sponsors have standards that are followed when food or supplies are purchased.

All **for-profit institutions** participating in the CACFP must comply with procurement requirements as stated in **7 CFR 226**. These guidelines specify, among other provisions, which the *small purchase threshold* be set at \$150,000. This means for any purchase that exceeds the *small purchase threshold* of \$150,000, a formal solicitation must be conducted.

All **non-governmental, non-profit institutions** participating in the CACFP must comply with procurement requirements as stated in **7 CFR 3019**. These guidelines specify, among other provisions, which the *small purchase threshold* be set at \$150,000. This means for any purchase that exceeds the *small purchase threshold* of \$150,000, a formal solicitation must be conducted. Please note that an institution may have regulations establishing a *small purchase threshold* of less than \$150,000 in which case a formal solicitation would be required.

All **public institutions** participating in the CACFP must comply with procurement requirements as stated in applicable **State or local laws** and as stated in **7 CFR part 3016**. These guidelines specify, among other provisions, which the *small purchase threshold* be set at \$150,000. This means for any purchase that exceeds the *small purchase threshold* of \$150,000, a formal solicitation must be conducted. Please note that it is very likely that State or Local laws for public institutions have established a *small purchase threshold* of less than \$150,000 in which case a formal solicitation would be required. Please ensure that you are in compliance with all State or Local procurement guidelines.

Note: Unless otherwise specified by State or Local procurement guidelines, the best practice is to obtain written price quotes from three or more vendors for purchases that do not exceed the *small purchase threshold*.

These standards are furnished to ensure that materials and services are obtained efficiently and economically. All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition.

- a) No employee, officer, or agent of this institution shall participate in selection or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:
 - 1) The employee, officer or agent
 - 2) Any member of immediate family
 - 3) His or her partner
 - 4) An institution which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

Officers, employees or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Misuse of funds is punishable under the laws of Arizona.

- b) Proposed procurement actions shall be reviewed by institution officials to avoid the purchase of unnecessary or duplicative items. Where appropriate, an analysis shall be made on lease versus purchase alternatives and any other appropriate analysis to determine which approach would be the most economical.
- c) Affirmative steps shall be taken to assure that small and minority businesses are utilized when possible. Affirmative steps shall include the following:
 - 1) Including qualified small and minority businesses on solicitation lists.
 - 2) Assuring that small and minority businesses are solicited whenever they are potential sources.
 - 3) When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.
 - 4) Establishing delivery schedules which will encourage participation by small and minority businesses.
 - 5) Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce, and the Community Services Administration as required.
 - 6) If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps in 1 through 5 above.
 - 7) Taking similar appropriate affirmative action in support of women's business enterprises.
- d) Procurement procedures shall not restrict or eliminate competition. Examples of restricting competition include, but are not limited to:

- 1) Placing unreasonable requirements on firms in order for them to qualify to do business.
 - 2) Non-competitive practices between firms.
 - 3) Institutional conflicts of interest.
 - 4) Unnecessary experience and bonding requirements.
- e) The institution shall have written selection procedures which shall provide, as a minimum, the following procedural requirements:

- 1) Solicitations of offers, whether by competitive sealed bids or competitive negotiation, shall:

Incorporate a clear and accurate description of the technical requirements for the material, product, or services to be procured. Such description shall not,

- i) in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand, which must be met by offerors, shall be clearly stated.
 - ii) clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- 2) Awards shall be made only to the lowest responsible and responsive bidder that possesses the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- f) Program procurements shall be made by one of the following methods:
- 1) Small purchase procedures are those relatively simple and informal procurement methods that are sound and appropriate for the procurement of services, supplies, or other property costing in the aggregate not more than the *small purchase threshold* stated above. Institutions shall comply with

State or Local small purchase dollar limits under the *small purchase threshold*. If small purchase procedures are used for a procurement under the Program, price, or rate quotation shall be obtained from an adequate number of qualified sources.

- 2) In competitive sealed bids (formal advertising), sealed bids will be publicly solicited and a firm-fixed price contract (lump sum or unit price) will be awarded to the responsible and responsive bidder whose bid meets all the material terms and conditions and evaluation criteria set forth in the invitation for bids and is the lowest price.
 - i) In order for formal advertising to be feasible, appropriate conditions must be present, including the following:
 - A. A complete, adequate, and realistic specification or purchase description is made available.
 - B. Two or more responsible suppliers who are willing and able to compete effectively for the institution's business.
 - C. The procurement lends itself to a firm-fixed price contract and selection of the successful bidder can appropriately be made principally on the basis of price.
 - ii) If formal advertising is used for procurement under the Program, the following requirements will apply:
 - A. A sufficient time prior to the date set for opening of bids, bids shall be solicited from an adequate number of known suppliers. In addition, the invitation shall be publicly advertised.
 - B. The invitation for bids, including specifications and pertinent attachments shall clearly define the items or services needed in order for the bidders to properly respond to the invitation.
 - C. All bids shall be opened publicly at the time and place stated in the invitation for bids.
 - D. A firm-fixed price contract award shall be made by written notice to the responsible and responsive bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of the grantee indicates that such discounts are generally taken.

- E. Any or all bids may be rejected when there are sound documented business reasons in the best interest of the program. The reasons for the rejection shall be made part of the procurement file.

Note: For purchases over \$25,000 the institution must verify the status of the vendor or contractor regarding debarment and suspension. This can be verified at <http://epls.arnet.gov/>.

- 3) In competitive discussions, proposals will be requested from a number of sources and the Request for Proposal is publicized. Discussions may be conducted with more than one of the vendors submitting offers and either a fixed-price or cost reimbursable type contract is awarded, as appropriate. If competitive discussions are used for a procurement under a grant, the following requirements shall apply:
 - i) Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The Request for Proposals (RFP) shall be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable.
 - ii) The Request for Proposal shall identify all significant evaluation factors, including price or cost where required, and shall be listed in the relative order of importance. No other factors or criteria may be used in the evaluation unless set forth in the RFP.
 - iii) The institution shall provide mechanisms for technical evaluation of the proposal received, determinations of responsible offers for the purpose of written or oral discussions, and selection for contract award.
 - iv) The institution shall award a contract to the offeror whose proposal is determined in writing to be the most advantageous to the procuring party based on the factors set forth in the request for proposals. Unsuccessful offerors may be notified in writing of the award.

Note: For purchases over \$25,000 the institution must verify the status of the vendor or contractor regarding debarment and suspension. This can be verified at <http://epls.arnet.gov/>.

- 4) Noncompetitive procurement is solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. Noncompetitive procurement will be used when the award of a contract is infeasible under small purchase, competitive bidding (formal

advertising), or competitive discussion procedures. It is important that proper documentation and justification be included in the procurement file. Circumstances under which a contract may be awarded by noncompetitive procurement are limited to the following:

- i) The item is available only from a single source.
 - ii) Public emergency exists which does not permit the delay which would occur if formal procurement procedures were used.
 - iii) FNS authorized noncompetitive negotiation.
 - iv) After solicitation of a number of sources, competition is determined inadequate.
- g) The cost plus a percentage of cost method of contracting shall not be used. Instructions shall perform some form of cost or price analysis in connection with every procurement action including contract modifications. Costs or prices based on estimated costs for contracts under the Program shall be allowed only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles.
- h) Institutions shall maintain records sufficient to detail the significant history of a procurement. These records shall include, but are not limited to, information pertinent to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the cost or price.
- i) In addition to provisions defining a sound and complete procurement contract, institutions shall include the following contract provisions or conditions in all procurement contracts and subcontracts as required by the provision, Federal Law, or Food and Nutrition Services (FNS):
- 1) Contracts other than small purchases shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
 - 2) All contracts in excess of \$10,000 shall contain suitable provisions for termination. Such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

- 3) All contracts awarded in excess of \$10,000 by institutions and their contractors shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR part 60).
- 4) Where applicable, all contracts awarded by institutions in excess of \$2,500 which involve the employment of mechanics or laborers shall include a provision for compliance with section 103 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 330) as supplemented by Department of Labor regulations (29 CFR part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of eight hours and a standard work week of 40 hours. Work in excess of the standard work day or week is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or 40 hours in the work week. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 5) The contract shall include notice of USDA requirements and regulations pertaining to reporting and patent rights under any contract involving research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of USDA requirements and regulations pertaining to copyrights and rights in data. These requirements are found in §3015.175. All negotiated contracts (except those awarded by small purchases procedures) awarded by institutions shall include a provision to the effect that the institution, FNS, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions. Institutions shall require contractors to maintain all required records for five years after institutions make final payment and all other pending matters are closed.
- 6) Contracts and subcontracts of amounts in excess of \$100,000 shall contain a provision which requires compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1837(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15), which prohibit the use under nonexempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities. The provision shall

require reporting of violations to FNS and to the U.S. EPA Assistant Administrator for Enforcement (EN-329).

- 7) Contracts shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy efficiency conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163).
- j) Institutions shall maintain a contract administration system ensuring that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- k) Using geographic preference in procurement is prohibited under USDA entitlement programs (3016.60 (c)).
- l) Awarding of contracts under USDA entitlement programs to firms "that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals" for such procurements are not allowed. The purpose of this regulation is to "ensure objective contractor performance and eliminate unfair competitive advantage." This ruling does not prohibit consultations between program operators and industry (3016.60 and 3019).

CHAPTER 12

Denial and Termination



DENIAL AND TERMINATION

CHAPTER 12

Section 12.1: Corrective Action

An institution must take corrective action any time non-compliance with Program rules, regulations, policy, or agreements has occurred. Corrective action plans are necessary to ensure that institutions understand what they are doing wrong and to identify the measures necessary to permanently correct the issues. The corrective action plans must provide sufficient detail so that during future visits a determination can be made about whether the institution made and maintained the corrective action(s).

When corrective action is deemed necessary, institutions are to submit all corrective action and/or policies and procedures on business letterhead along with an effective date. Ensure that each corrective action item and/or policy and procedure is signed by the person responsible for carrying out the procedure and by an authorized CACFP Designated Official.

A corrective action plan must clearly address each of the identified problems and outline the steps the provider will take or has taken to fully and permanently correct each of the deficiencies. It is best to number the items on the corrective action plan with the corresponding finding on the review form or notice of serious deficiency. Corrective action plans must address the following questions:

- What are/were the areas of non-compliance? What steps or tasks will be/have been taken or performed to fully and permanently correct the problem?
- Who has/will address the serious deficiency and be responsible for making sure it is permanently corrected? Who has/will perform the steps or tasks?
- When was the problem corrected or when will the procedures for addressing the serious deficiency be implemented? Provide a timeline for implementing the procedures (i.e. daily, weekly, monthly, or annually, and when it will begin).
- Where is/will the corrective action plan and supporting documentation being/be maintained?
- How has/will the provider ensure that the deficiency is corrected and continues to be implemented (method of implementation – handbook, training, etc.)?

Corrective action must be permanently maintained.

Recurrence of same problem will result in a serious deficiency determination

Section 12.2: Serious Deficiency

The serious deficiency process offers a systematic way for ADE to take actions allowing institutions to correct serious Program problems and ensures due process. If institutions are unwilling or incapable of correcting serious problems, the serious deficiency process protects Program integrity by removing the institution from the Program and preventing the institution and responsible principals and individuals from returning to the Program.

As stated in 7 CFR 226.6(c), serious deficiencies are grounds for disapproval of application and for terminating participation. Serious deficiencies include, but are not limited to any of the following:

- Failure to comply with Program requirements
- Submission of false information to the State Agency
- Permitting an individual on the National Disqualified List to serve in a principal capacity
- Failure to operate program in conformance to performance standards
- Failure to follow Federal procurement regulations
- Invalid Title XX claiming
- Failure to properly train or monitor facilities
- Failure to disburse payments to facilities
- Conviction of institution or principals indicating lack of integrity
- Failure to adjust meal orders to conform with the number of participants
- Claiming meals not served to enrolled participants
- Failure to maintain adequate records to support claims for reimbursement
- Failure to submit corrective action
- Failure to maintain corrective action.
- Claiming for significant number of meals that do not meet program requirements
- Use of Food Service Management Company (Vendor) that is in violation of health codes
- Failure to perform financial and administrative duties
- Any other action affecting the institution's ability to administer the Program in accordance with Program requirements

If an institution is declared seriously deficient, it will have an opportunity to correct the cited issues. In its response to the seriously deficient notice, an institution must submit in writing what corrective action it has taken. The correspondence must detail the internal controls implemented to ensure that the serious deficiencies are fully and permanently corrected.

Section 12.3: Application Denial or Termination of Participation

Federal regulations [7 CFR 226.6(c)] give the ADE the responsibility to terminate any institution, responsible principals, and responsible individuals that has been determined to be seriously deficient in the operation of the CACFP. However, before the ADE can terminate an institution, responsible principals, and responsible individuals, it must give the institution, responsible principals, and responsible individuals every reasonable opportunity to correct its deficiencies. Those identified deficiencies must remain permanently corrected. In the event that an institution, responsible principals, and responsible individuals are determined to be seriously deficient in the operation of the CACFP, the ADE will provide the institution complete notice, which will include all of the following:

- Identification of the problems that have led to the determination of serious deficiency.
- Steps that the institution must take in order to correct the problems.
- Timeline in which the institution must correct the problems.
- Consequences if the problems are not corrected within the specified timeline.

ADE shall terminate the Program agreement with any institution that does not fully and permanently correct the serious deficiency (Note: institutions are given one opportunity to correct a serious deficiency). ADE shall notify USDA whenever a sponsor has been terminated for failing to fully and permanently correct serious deficiencies. Once a sponsor has been terminated for failing to fully and permanently correct serious deficiencies, that institution, the responsible principals, and responsible individuals are placed on the national disqualified list for a minimum of seven years or longer, if money is owed. That institution, the responsible principals, and responsible individuals will be ineligible to participate in any Federal child nutrition program until they can demonstrate to USDA that the deficiencies have been permanently corrected. Being on the list can also affect future employment at a facility or institution that participates on the Program.

Pursuant to 7 CFR § 226.6(c)(3)(iii)(C)(3), the voluntary termination by an institution of its agreement with the ADE will still result in the formal termination of that institution, the responsible principals, and responsible individuals by ADE.

Any facility or individual that is identifiable with a seriously deficient facility through its corporate organization, officers, employees, or otherwise, shall also be considered to be ineligible to participate on the Program unless it can demonstrate that good cause exists for considering the facility distinct from the seriously deficient facility to the satisfaction of ADE with the concurrence of USDA. Any institution that disagrees with their termination will have the right to request an appeal hearing, as set forth in the appeal procedures included in the CACFP application packet and later in this chapter.

Section 12.4: Termination by the Sponsoring Organization

ADE requires an institution who wishes to voluntarily terminate its participation from the CACFP to submit 30 days advance written notice of its intent to terminate participation including the date of termination. The institution must terminate its participation for any, but not limited to, the following reasons:

- Sale of the center
- Bankruptcy
- Revocation of license
- Unable to meet proprietary center requirements after three consecutive months (25% of enrolled participants are eligible for Free/Reduced Price meals or have Title XX benefits.)

An institution that voluntarily chooses to terminate its CACFP agreement may reapply to participate at any time by following the new CACFP application procedures. This courtesy does not apply if the organization voluntarily terminates prior to correcting a serious deficiency.

Section 12.5: Appeal Procedures

An institution may appeal any action(s) taken by ADE that affect its payment from or participation in the CACFP. Institutions may only appeal findings resulting from Program audits and/or reviews under one or more of the following conditions:

- Denial of application to participate
- Termination of participation
- Suspension of Program agreement
- Denial of all or part of a reimbursement
- Demand for the remittance of an overpayment
- Denial of a request for an upward adjustment to a claim
- Denial by the State Agency (SA) to forward the Food and Nutrition Service (FNS) an exception request by the sponsor for payment of a late claim

To request an appeal, refer to the following administrative review procedures (must be maintained on file):

Child and Adult Care Food Program

Administrative Review Procedures

The following Child and Adult Care Food Program (CACFP) administrative review procedures include notification, request, and procedure for a hearing in accordance with federal regulation 7 CFR § 226.6(k).

A. PURPOSE

The CACFP allows an Institution, responsible principals, and responsible individuals participating in the CACFP an administrative review. This review may be initiated when the Arizona Department of Education (ADE):

1. Denies the Institution's application for program participation. [226.6(k)(2)(i)]
2. Denies the sponsor's application for program participation submitted on behalf of a facility. [226.6(k)(2)(ii)]
3. Proposes termination of the Institution's agreement. [226.6(k)(2)(iii)]
4. Proposes disqualification of a responsible principal or responsible individual. [226.6(k)(2)(iv)]
5. Suspends the Institution's agreement. [226.6(k)(2)(v)]

6. Denies the Institution's application for start-up or expansion funds. [226.6(k)(2)(vi)]
7. Denies the Institution's request for an advance payment. [226.6(k)(2)(vii)]
8. Demands recovery of all or part of an advance in excess of the claim for the applicable period. [226.6(k)(2)(viii)]
9. Denies all or part of the Institution's claim for reimbursement, provided the Institution has submitted its claim to ADE no later than 60 days after the last day of the claim month. [226.6(k)(2)(ix)]
10. Denies the forwarding of an exception request to the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS), for a late claim or an upward adjustment of its claim. [226.6(k)(2)(x)]
11. Demands that the Institution remit an overpayment. [226.6(k)(2)(xi)]

In addition, a participating Institution, responsible principals, and responsible individuals may request a review for any other final action taken by ADE that affects the Institution, responsible principals, or responsible individuals' program participation or the Institution's claim for reimbursement [226.6(k)(2)(xii)].

However, ADE is prohibited from allowing an administrative review on the following actions:

1. FNS decisions on claim deadline exceptions and requests for upward adjustments to a claim. [226.6(k)(3)(i)]
2. Determination of serious deficiency. [226.6(k)(3)(ii); 226.6(c)]
3. Disqualification and placement on ADE list and National disqualified list. [226.6(k)(3)(iii)]
4. Termination of Institution's agreement. [226.6(k)(3)(iv)]

B. PROCEDURE

Notification, request, and procedure for hearing:

1. Whenever ADE takes action that is subject to administrative review as described in (A) above, ADE will notify the Institution, responsible principals, and responsible individuals in writing of the action and the basis for the action, and advise the Institution, responsible principals, and responsible individuals of the right to an administrative review. [226.6(k)(5)(i)]
2. A written request for administrative review must be submitted to ADE no later than 15 calendar days from the date the Institution, responsible principals, or responsible individuals receive ADE's notice of action taken. The original and one copy of the review request must be sent to:

Associate Superintendent, Health and Nutrition
Arizona Department of Education
1535 West Jefferson Street, Bin 7
Phoenix, Arizona 85007
3. ADE shall acknowledge receipt of the request for review within 10 calendar days after receipt. [226.6(k)(5)(ii)]
4. The Institution, responsible principals, and responsible individuals may retain legal counsel or may be represented by another person. [226.6(k)(5)(iii)]
5. Any information on which ADE action was based will be available to the Institution, responsible principals, and responsible individuals for inspection from the date of receipt of the request for review. [226.6(k)(5)(iv)]
6. The Institution, responsible principals, and responsible individuals may refute the findings in the notice of action in person or by submitting written documentation to the administrative review official. In order to be considered, written documentation must be submitted not later than 30 days after receipt by the Institution, responsible principals, and responsible individuals of the notice of action. Written documentation must clearly identify the ADE action being reviewed and must include a photocopy of the notice of action issued by ADE. [226.6(k)(5)(v)]
7. The administrative review official will hold a hearing in addition to or instead of a review of written information only if the Institution, responsible principals, or responsible individuals request a hearing in the written request for administrative review. Failure to appear at a scheduled hearing will constitute the Institution, responsible principals or responsible individuals or their representative's waiver of the right to a personal appearance before the

- administrative review official, unless the administrative review official agrees to reschedule the hearing. A representative of ADE must be allowed to attend the hearing to respond to the testimony presented by the Institution, responsible principals, and responsible individuals and to answer questions posed by the administrative review official. [226.6(k)(5)(vi)]
8. If a hearing is requested, the Institution, responsible principals, and responsible individuals and ADE must be provided with at least 10 calendar days advance notice of the time and place of the hearing. [226.6(k)(5)(vi)]
 9. The administrative review official shall be independent and impartial, but may be an employee of ADE, although 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 Institution, responsible principals, and responsible individuals are permitted to contact the administrative official directly if so desired. [226.6(k)(5)(vii)]
 10. The administrative review official must make a determination based solely on information provided by ADE, the Institution, responsible principals, and responsible individuals, and based on federal and state laws, regulations, policies, and procedures governing the program. [226.6(k)(5)(viii)]
 11. Within 60 days from the date ADE receives a request for an administrative review, the administrative review official must inform ADE and the Institution, responsible principals, and responsible individuals of the administrative review's outcome. This timeframe may not be used as a basis for overturning ADE's action if a decision is not made within the specified time. [226.6(k)(5)(x)]
 12. The determination by the state review official is the final administrative determination to be afforded the Institution, responsible principals, and responsible individuals. [226.6(k)(5)(x)]
 13. ADE's action will remain in effect during the administrative review. [226.6(k)(10)]

Federal Regulations allow for combined administrative reviews for responsible individuals and responsible principals. [226.6(k)(8)]

Federal Regulations provide for an abbreviated administrative review under certain circumstances. 7 CFR § 226.6(k)(9). ADE must limit the administrative review to a review of written submissions concerning the accuracy of ADE's determination if the application was denied or ADE proposes to terminate the institution's agreement because:

1. The information submitted on the application was false.
2. The institution, one of its sponsored facility, or one of the principals of the institution or its facilities is on the national disqualified list.
3. The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is ineligible to participate in any other publicly funded program by reason of violation of the requirements of the program.
4. The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities has been convicted for any activity that indicates a lack of business integrity.

The above administrative review procedures are condensed from 7 CFR § 226.6(k). The Code of Federal Regulations should be consulted for additional rules regarding the review process.

If you have any questions regarding these procedures, please contact Health and Nutrition Services at 602.542.8700.

Section 12.6 Suspension Process for Institutions

This section provides information on the suspension process for institutions, including the procedures, termination and disqualifications, and withholding of Program payments during the suspension process. A suspension is the only time a State agency can combine a notice of serious deficiency with a notice of proposed termination and proposed disqualification.

A. Suspension Process for Institutions

Suspension refers to a period of time (prior to the termination of an institution's Program agreement) when an institution's Program participation, including Program payments, is suspended. The regulations outline two circumstances under which State agencies must or may suspend an institution [7 CFR 226.6(c)(5)(i)-(ii)]:

- An institution's participation **must** be suspended if it poses an imminent threat to the health or safety of Program participants or the public; and
 - The State agency must withhold Program reimbursement as of the beginning of the serious deficiency process and to release payment for valid claims during the suspension period if the institution requests a suspension review and is upheld.
- An institution's participation **may** be suspended if it submits a false or fraudulent claim for reimbursement;
 - If the State agency determines that an institution has knowingly submitted a false or fraudulent claim, the State agency **may** initiate action to suspend the institution's participation **and must** initiate action to terminate the institution's agreement and initiate action to disqualify the institution and the responsible principals and responsible individuals.

B. Notice of Serious Deficiency, Suspension, and Proposed Termination Procedures

When the State agency suspends an institution because its operation poses an imminent threat to the health and safety of Program participants or the public or due to the filing of a false or fraudulent claim, the institution and all RP/Is will be notified in writing of the suspension and the basis for it. In both circumstances, the institution and RP/Is must also be issued the notice of serious deficiency.

- A suspension related to an imminent threat to health and safety is immediate and may not be appealed prior to the suspension.
- The suspension of an institution's participation related to filing a false or fraudulent claim must be done as a proposed suspension which is appealable prior to the suspension starting [7 CFR 226.6(c)(5)(i)].

See each section below for the different procedures that must be followed.

1) Imminent Threat to Health and Safety

When an institution's conduct poses an imminent threat to the health or safety of children or the public, the State agency must suspend the institution's participation in CACFP. Some examples of imminent threat to health and safety include but are not limited to:

- Failure of a facility's fire detection or prevention system;
- Inadequate or incompetent supervision;
- Providing care for more children than the licensed capacity allows;
- Unsanitary conditions for food service or unsanitary water;
- Inadequate light, ventilation, sanitation, or heating;
- Lost or missing child;
- Suspected maltreatment of a child;
- Suspected sexual, physical, or emotional abuse of staff, volunteers, or family members occurring while they are on the premises of the child care facility;
- Injuries to children requiring medical or dental care;
- Illness or injuries requiring hospitalization or emergency treatment;
- Mental health emergencies;
- Health and safety emergencies involving parents or guardians and visitors to the child care facility;
- Death of a child or staff member (including a death that occurred outside of child care hours that had resulted from serious illness or injury at the child care facility); or
- The presence of a threatening individual who attempts or succeeds in gaining entrance to the facility.

If the institution is cited by State or local health or licensing officials for an offense that constitutes serious health and safety violations, the State agency must immediately declare the institution seriously deficient in addition to suspending its participation in CACFP. The State agency will also notify the institution that it is proposing to terminate the institution's agreement and to disqualify the institution and the RP/Is [CACFP 13-2013, *Health and Safety in the Child and Adult Care Food Program*, July 26, 2013].

If the State agency, rather than the health or licensing officials, discovers conditions that might constitute an imminent threat to public health or safety, the State agency is required to notify the appropriate State or local licensing or health authorities and to take action based on those recommendations.

Suspension

Once it has been determined that an imminent health or safety violation has occurred, the State agency must notify the institution and all RP/Is that the institution's participation, including Program payments has been suspended [7 CFR 226.6(c)(5)(i)]

The notice must state:

- The serious deficiencies found;
- That the institution can appeal the suspension and the proposed termination and disqualification;
- That the institution's Program participation including all Program payments are suspended with a specific start date until an appeal is concluded;
- That the State agency is prohibited from offering a review (appeal) of the suspension prior to the suspension being effective;
- That, unless overturned by a review official, the suspension will remain in effective throughout the serious deficiency process;
- That if the hearing official overturns the suspension, the institution may claim reimbursement for eligible meals served during the suspension;
- That termination from the Program will result in placement of the institution and RP/Is on the NDL; and
- That the institution's voluntary termination of its agreement with the State agency after having been notified that it is seriously deficient and suspended from the Program will still result in the institution and RP/Is formal termination by the State agency and placement on the NDL.

The notice must include the State agency's appeals procedures.

If an institution wants to appeal this action, it must follow the appeal procedures.

2) Submission of False or Fraudulent Claims

The submission of a false or fraudulent claim constitutes a serious deficiency for participating institutions. If an institution knowingly files a false or fraudulent claim for reimbursement, the State agency must declare the institution and RP/Is seriously deficient; for example, an institution filing a claim for meals that it did not serve, an institution that claims more than two meals and a snack per child, or reporting children as eligible for free meals on the claim without supporting income eligibility applications.

Fraud is defined as *a willful act commenced with the **Specific Intent** to deceive or cheat, in order to cause some financial detriment to another and to engender personal financial gain.*

A misrepresentation is fraudulent if the maker

- knows or believes that the matter is not as he represents it to be,
- does not have the confidence in the accuracy of his representation that he states or implies, Or
- knows that he does not have the basis for his representation that he states or implies.

If the State agency or sponsoring organization cannot prove these conditions without any doubt, FNS advises that a charge of knowingly filing a fraudulent claim not be used.

As part of the adverse action, the State agency has the option to suspend the institution and RP/Is from Program participation, including Program payments, until the serious deficiency has been resolved [7 CFR 226.6(c)(5)(ii)].

Proposed Suspension

When the State agency proposes to suspend an institution's participation, including Program payments for the submission of a false or fraudulent claim, the State agency must issue a combined notice of serious deficiency and proposed suspension. The institution and RP/Is must be notified in writing that the State agency intends to suspend the institution's participation (including all Program payments) unless the institution requests a review of the proposed suspension. The notice must state:

1. The serious deficiencies found;
2. That the State agency is proposing to suspend the institution's and RP/Is' Program participation, including the payment of claims;
3. The effective date of the suspension (this cannot be earlier than 10 days after the institution receives the notice);
4. That the institution can appeal the proposed suspension;
5. The contact information for the suspension review official;
6. That a suspension review must be requested within 10 days of receipt of the notice;

7. That if the hearing official overturns the proposed suspension, the institution may claim reimbursement for eligible meals served during the proposed suspension; and
8. That the institution's voluntary termination of its agreement with the State agency after having received the notice will still result in the institution and RP/Is formal termination by the State agency and placement on the NDL.

State will include the institution's appeal procedures for suspensions and terminations.

The notice will state that, if the suspension review official overturns the proposed suspension, the institution is still required to submit corrective action to fully and permanently correct the serious deficiency(ies).

If the State agency chooses not to suspend an institution's participation for submitting a false or fraudulent claim, it **must** immediately initiate action to terminate and disqualify the institution and the RPIs following the procedures outlined in 7 CFR 226.6(c)(3).

C. Suspension Review – Suspension Appeal

What is the difference between a "suspension review" and an "abbreviated appeal"?

A suspension review is an abbreviated appeal that is available to institutions before a suspension for submission of false or fraudulent claims takes effect. It consists of a review of written documents, instead of an in-person hearing, to determine whether Program payments will continue. It does not resolve any appeal option that the institution may request of the State agency's proposed termination and disqualification of the institution; the institution may request a regular appeal if they are dissatisfied with the result of the suspension appeal.

An abbreviated appeal also involves a review of documentation instead of an in-person hearing and the decision of this review is final. This is held when one of the following occurs:

1. The information submitted on the application was false;
2. The institution, one of its sponsored facilities, or one of the principals of the institution or its facilities is on the NDL;
3. The institution, one of its sponsored facilities, or one of the RP/Is of the institution or its facilities is ineligible to participate in any other publicly funded Program by reason of violation of the requirements of the Program; or
4. The institution, one of its sponsored facilities, or one of the RP/Is of the institution or its facilities has been convicted for any activity that indicates a lack of business integrity [7 CFR 226.6(k)(9)].

Suspension Review

If an institution wants a suspension review, it must send a request to the suspension review official within 10 days of receipt of the notice of proposed suspension. The appeal request should include the reasons the institution disagrees with the suspension. The institution may submit documentation to support its appeal.

The suspension review official must be an individual who is independent and impartial. The State agency must be notified immediately of the institution's request. The State agency must provide the suspension review official with the original proposed suspension and any other supporting documentation. The suspension review official must render a decision within 10 days of the deadline for receiving the institution's documentation opposing the suspension [7 CFR 226.6(c)(5)(ii)(C)].

Suspension Appeal

The institution also has the right to appeal the suspension through the regular appeal process (regardless of whether it requests a suspension review). The maximum time for suspension of participation is 120 days following the suspension review decision. Within the 120 days, the institution's appeal should be heard and a decision rendered either overturning the serious deficiency, suspension and proposed termination and disqualification or the institution and RP/Is should be terminated. If a suspension appeal lasts more than 120 days, the State agency must pay any valid claims received by the institution starting on day 121 [7 CFR 226.6(c)(5)(ii)(F)].

Suspension Overturned - Must Propose Termination

If the hearing official overturns the State agency's proposed suspension, the State agency cannot suspend the institution's participation or withhold reimbursement payments for the suspension period. The State agency must still proceed with the proposed termination and proposed disqualification [7 CFR 226.6(c)(5)(ii)(A)].

Corrective Action

Whether or not the institution is successful in its suspension appeal, the institution has the opportunity to submit corrective action to address the serious deficiency determination, such as submitting revised claiming procedures. If the institution's corrective action is accepted by the State agency, the serious deficiency is temporarily deferred, the suspension is removed, and the institution is able to continue participation in CACFP.

If the corrective action is not accepted, the State agency must continue with the proposed termination and disqualification of the institution and the RP/Is and begin the regular appeal process.

D. Agreement Termination and Disqualification

When the time for requesting an appeal expires or the hearing official upholds the proposed termination or disqualification, the State agency must:

1. Notify the institution's executive director and chairman of the board of directors, and the RP/Is that the institution's agreement has been terminated and that the institution and RP/Is have been disqualified;
2. Update the State agency list at the time such notice is issued; and
3. Provide a copy of the notice and the mailing address and date of birth for each RP/I with the full amount of any determined debt associated with the institution and/or the RP/I to the appropriate FNS Regional Office for inclusion on the NDL [7 CFR 226.6(c)(3)(iii)(E)].

If the institution and RP/Is request an appeal and the hearing official overturns the State agency's suspension, the State agency must temporarily defer the serious deficiency and withdraw the suspension [7 CFR 226.6(c)(3)(iii)(B)(1)(i)].

The State agency will report the name of the terminated and disqualified institution and RP/Is to the FNS Regional Office at the same time the institution and RP/Is are notified. In reporting the name of the institution and RP/Is to the FNS Regional Office, the State agency will follow the instructions outlined in Part 10 of this guidance. The FNS Regional Office will request that the FNS National Office add the names of the institution and the RP/Is to the NDL.

E. Program Payments during a Suspension

The State agency is not allowed to pay claims to a suspended institution. Payments for valid claims may only be paid if a suspension review official or hearing official overturns the suspension.

When a sponsoring organization is suspended for the submission of a false or fraudulent claim, the State agency is required to make sure that payments to the sponsored DCHs for eligible meals served are still made. The State agency may work with another sponsoring organization to process the claims during the suspension process or the State agency may temporarily make meal payments directly to the sponsored facilities during the period of the sponsoring organization's suspension. The State agency should contact the FNS Regional Office for additional guidance with this emergency and temporary procedure.

If there is no other way to provide the sponsored facilities with earned meal reimbursements other than by passing payments through the suspended sponsoring organization, then the law requires these payments to continue. The sponsoring

organization would be liable for continuing to pay all valid claims and any claims not paid would be added to the debt owed by the institution.

If the suspended sponsoring organization appeals the proposed termination and disqualification and is upheld, it could submit claims for allowable Program administrative costs incurred during the period of suspension that are properly documented.