



Arizona Department of Education
Health & Nutrition Services Division

HNS # 21-2021

MEMORANDUM

To: Sponsors of the Child and Adult Care Food Program in Child Care Centers, Head Start programs, Adult Care Centers, Emergency Shelters, and At-Risk Afterschool Programs

From: Melissa Conner, Associate Superintendent

Date: September 2, 2021

Subject: Renewal Guidance and Operation Updates for Program Year 2022

Original Signed

The purpose of this memorandum is to provide guidance for operators of the Child and Adult Care Food Program (CACFP) for Program Year 2022 (PY22), which begins October 1, 2021 and ends September 30, 2022. This guidance will review the waivers the Arizona Department of Education (ADE) has opted into and provide guidance for the renewal application process specific to PY22. It will also include relevant program updates for PY22 operations. Additionally, this memorandum includes answers to common questions related to the renewal application process and operating under the PY22 waivers.

USDA Waivers for PY22 Operations

ADE has opted into the following waivers issued by USDA specifically for Child Nutrition Program operations in PY22, effective through June 30, 2022.

- [#87 Nationwide Waiver to Allow Non-Congregate Meal Service for School Year 2021-2022](#)
- [#88 Nationwide Waiver of Meal Times Requirements for School Year 2021-2022](#)
- [#89 Nationwide Waiver to Allow Parents and Guardians to Pick Up Meals for Children for School Year 2021-2022](#)
- [#93 Nationwide Waiver of Area Eligibility in the Afterschool Programs and for Family Day Care Home Providers in School Year 2021-2022](#)
- [#95 Nationwide Waiver of Onsite Monitoring Requirements for State Agencies in the Child and Adult Care Food Program – EXTENSION 3](#)
- [#96 Nationwide Waiver of Monitoring Requirements for Sponsors in the Child and Adult Care Food Program – EXTENSION](#)

ADE did not opt into the following waiver:

- [#91 Nationwide Waiver to Allow Specific Meal Pattern Flexibility in the Child and Adult Care Food Program for School Year 2021-2022](#)

In recognizing that children may be temporarily absent from care and still in need of meals, USDA issued *COVID-19 Child Nutrition Response #87: Nationwide Waiver to Allow Non-Congregate Meal Service for School Year 2021-2022*. [SP 16-2021: Previously Issued Questions and Answers Relating to Operation of the Child Nutrition Programs: Updated for School Year 2021-2022](#) indicates that this waiver applies to all settings of the CACFP, including child and adult centers, shelters, and at-risk sites. Sites that are open can provide meal service to participants in attendance.

The non-congregate waiver can be used in combination with *COVID-19 Child Nutrition Response #88: Nationwide Waiver of Meal Time Requirements* and *COVID-19 Child Nutrition Response #89: Nationwide Waiver to Allow Parents and Guardians to Pick Up Meals for Children for School Year 2021-2022* to arrange meal service pick-ups or delivery for participants temporarily not in attendance. These waivers can also be used to provide meals for multiple days at one time. Additionally, *COVID-19 Child Nutrition Response #88: Nationwide Waiver of Meal Time Requirements* allows CACFP operators to extend meal times to facilitate social distancing during the meal service. USDA and ADE expect these waivers to only be used for the duration and extent they are needed. CACFP operators are still responsible for all recordkeeping requirements including enrollment, attendance, and meal counts when meals are served using these waivers and meal service methods.

In order to provide additional support to at-risk afterschool care centers during the COVID-19 pandemic, all sites, regardless of their location, may participate in the At-Risk Afterschool Meals component of the CACFP and claim at-risk meals and snacks at the free rate. Sites must continue to meet all other eligibility criteria for participation in At-Risk. This is effective July 1, 2021 – June 30, 2022, as outlined in *COVID-19 Child Nutrition Response #93: Nationwide Waiver of Area Eligibility in the Afterschool Programs and for Family Day Care Home Providers in School Year 2021-2022*. This waiver is available to all operators who choose to use it; no further notification to ADE is needed.

ADE has opted into *COVID-19 Child Nutrition Response #95: Nationwide Waiver of Onsite Monitoring Requirements for State Agencies in the Child and Adult Care Food Program – Extension 3*, and *COVID-19 Child Nutrition Response #96: Nationwide Waiver of Monitoring Requirements for Sponsors in the Child and Adult Care Food Program- Extension*. CACFP operators will continue to have the option to perform offsite monitoring. However, all other monitoring requirements must be met (three visits must be conducted, no more than six months can elapse between visits, one visit must be unannounced). The monitors form must indicate that the visit was conducted virtually. ADE plans to conduct onsite monitoring, and members of the Health and Nutrition Services (HNS) Compliance Review Team will be performing reviews in-person for PY22.

ADE did not opt into *COVID-19 Child Nutrition Response #91: Nationwide Waiver to Allow Specific Meal Pattern Flexibility in the Child and Adult Care Food Program for School Year 2021-2022*. Therefore, CACFP operators must ensure all snacks and meals served meet the meal pattern, including the use of crediting grains by ounce equivalents, effective October 1, 2021.

Effective October 1, 2021, ADE will no longer accept virtual or off-site fire and health inspections for unlicensed At-Risk sites. Fire and health inspections must be performed in-person and within the correct timeframe.

Waiver Opt-in and Reporting

ADE has streamlined the waiver opt-in process by incorporating fields into the CNPWeb Sponsor Application. For PY22, CACFP operators will indicate the election of two waivers in Section 5 of the CACFP Sponsor Application: Parent/Guardian Pickup (#89), and Sponsor Onsite Monitoring (#96). The remaining waivers listed above (#87, #88, #93 and #95) may be used by all CACFP operators without notifying ADE. All operators will be required to report the use of each waiver (#87, #88, #89, #93, #96) and provide a description of whether and how each waiver improved services to program participants. ADE will release a separate memorandum to describe the required reporting process in the future.

Renewal Application Requirements

Regulations at 7 CFR 226.6(b)(2) require state agencies to establish application procedures to determine the eligibility of renewing sponsors. ADE requires all renewing sponsors to update and submit annually:

- Licensing documentation;
- Certification of accurate information;
- Budget for upcoming year;
- Additional annual requirements outlined in 7 CFR 226.6(f)(1); and
- Information to reflect changes in operation.

The submission and approval of the management plan and budget in CNP Management Plans and Budgets meets the application requirements set forth by ADE for CACFP renewal participation in PY22.

Additionally, CACFP sponsors must submit site and sponsor applications in CNPWeb. The submission and approval of the application in CNPWeb allows sponsors to submit monthly claims for reimbursement for meals served.

For PY22, ADE will not approve any applications without a completed Single Audit for PY20. All sponsors that receive Federal funds from ADE are required to complete a two-question [Single Audit Questionnaire](#). As part of the questionnaire, any entity who expends more than \$750,000 in Federal funds must also submit a copy of the most recent single audit report, also known as the A-133. Completion of the Single Audit Questionnaire was required in April 2021, and many operators failed to meet this requirement. **If a CACFP operator has not completed the Single Audit Questionnaire, the operator is out of compliance with regulatory required reporting, which impacts the approval process for the PY22 management plan and budget.** Operators should complete this reporting requirement as soon as possible to ensure compliance and avoid delays in management plan and budget approvals.

The management plan and budget indicate that an institution intends to operate the program and should be submitted by October 1, 2021. Any operators who do not submit the management plan

and budget by October 31, 2021, will not be eligible for reimbursement for meals served in October. All management plans and budgets are reviewed in the order in which they are received, and early submission is encouraged. Once ADE has approved the management plan and budget, operators should then submit their CNPWeb applications.

ADE has released a [Renewal Preparation Checklist](#), outlining the minimum required documentation and field updates for PY22 Renewal Application within the CNP Management Plan and Budget. ADE has also released an instructional guide: [How to Renew Participation in the CACFP for Program Year 2022](#) to provide step-by-step instruction with screenshots and visuals of the CNP Management Plan and Budget online platforms. Both resources include all items unique to PY22, including CACFP Menu Self-Assessment and instructions on reporting reimbursement funds received due to CACFP Emergency Operational Costs Reimbursement Program. All application renewal resources and program form templates are located on the [CACFP Renewal Resources webpage](#).

Updates for PY22 Operations

Child and Adult Care Food Program Emergency Operational Costs Reimbursement Program

As part of the Families First Coronavirus Act, Emergency Operational Costs funds were allocated to each State. These additional funds are for local Child Nutrition Program operators whose reimbursements declined or were temporarily interrupted during the early months of the pandemic due to COVID-19 related restrictions and closures. ADE has received these funds from USDA, and they will be automatically disbursed to eligible operators in early September. Allowable use of funds and available resources were highlighted in the *Emergency Operational Funding for CACFP* webinar ADE hosted in May. The webinar recording is available on the ADE website ([Slides](#)) ([Recording](#)), and additional details about the CACFP Emergency Operational Costs Reimbursement Program can also be found in [HNS 05-2021: Child Nutrition Programs Emergency Operating Costs During COVID-19](#).

All sponsors are required to maintain documentation for all Federal funds received and expended. Any Emergency Operational Costs funds not expended in PY21 should be included in the *Projected Annual CACFP Reimbursement for the upcoming year* line in the Budget for PY22, as mentioned above. In PY22, the *Projected Annual CACFP Reimbursement for the upcoming year* line should also include any Emergency Operational Costs funds not expended in PY21.

To support proper use of these Federal funds, all operators will be required to report how these payments were used. ADE originally communicated that reporting on the use of these funds would be required prior to PY22 application approval. However, USDA has clarified that reporting on the use of these funds will be included in a future report and ADE will collect this required information later this year.

Annual Training Requirements

The annual training requirements for PY22 will remain the same as they were in PY21. ADE offers a menu of training options for CACFP operators to complete throughout the year.

Operators are encouraged to complete trainings that support the specific needs of their CACFP operations. All CACFP operators must complete:

- a minimum of 10 training hours, which can be completed online or in-person;
- at least one nutrition training and at least one administration training; and
- at least one training by each person listed on the Permanent Agreement.

Additionally, annual [Civil Rights Compliance Training](#) must be completed by an individual listed on the Permanent Agreement. All CACFP trainings available on the [Training for the Child and Adult Care Food Program](#) webpage are creditable toward the annual training requirement.

Questions and Answers

Please review [SP 15-2021, CACFP 13-2021, SFSP 08-2021: Questions and Answers for Child Nutrition Program Operations in School Year 2021-2022](#) and [SP 16-2021, CACFP 14-2021: Previously Issued Questions and Answers Relating to Operation of the Child Nutrition Programs: Updated for School Year 2021-2022](#), where USDA has provided answers to frequently asked questions regarding Child Nutrition Program operations during PY22. In addition, ADE has released answers to the following questions to further clarify guidance for PY22 operations and renewal application.

Waivers and Reporting

1. Does ADE have to approve the use of all the waivers?

No. ADE will approve use of the Onsite Monitoring waiver and the Parent/Guardian Pickup waiver as part of the sponsor application process in CNPWeb. All other waivers are available to all operators who wish to use them. All recordkeeping requirements still apply when utilizing any waivers, and records will be reviewed during compliance reviews.

2. Will ADE be coming on site for monitoring and reviews this year?

Yes. Although ADE opted into the Waiver of Onsite Monitoring for State Agencies (#95), HNS Staff are planning to conduct reviews on site.

3. My at-risk site is operating on an alternate schedule. Can I distribute multiple days' worth of meals to ensure all children receive meals on normal at-risk programming days?

Yes. Documentation requirements for all meals served remain in place. Each meal service claimed must have a record of the meal counts, some form of attendance and enrollment in the at-risk afterschool programming. Virtual enrichment must be provided for the days when participation is virtual. If meals are being served in this way, the site application should reflect the days meal service is occurring, and the reimbursement claims should reflect the total number of days meals were intended to be consumed. For example, if meal service occurs on Monday and Wednesday, but meals are also sent home for Tuesday and Thursday, the site application check boxes should be marked for Monday and Wednesday, but the claim would indicate meals were provided for a total of 16 days.

4. I had to ask one of my classrooms to stay home and quarantine. Can I send meals home for those children?

Yes. In order to send meals home for those children, opt into the Parent/Guardian Pickup waiver on the CNPWeb Sponsor Application in Section 5. This will allow parents or guardians to stop by and pick up meals for their children while they are temporarily not in care. Parents or guardians may pick up all the meals for the day at one time (not to exceed 2 meals and 1 snack, per CACFP maximums). All recordkeeping requirements are still in place for meals sent home. Keep in mind the center's capacity for meal preparation and distribution when choosing to offer this option to families.

5. Can I send home supper or weekend meals for children enrolled at the center?

No. The intention of the PY22 waivers for CACFP is to support operators with flexibilities that will allow them to meet the needs of their communities while supporting a gradual return to business as usual. If a child is in regular attendance, they should be participating in regularly scheduled meal service. If a child is temporarily absent due to COVID-19, meals may be sent home for the days they would normally be in care. Remember that a CACFP center may claim a maximum of 2 meals and 1 snack or 2 snacks and 1 meal per participant per day.

6. When do I have to report on the use of waivers and funds provided by the Emergency Operational Costs Reimbursement Program?

ADE will provide an online reporting tool to report on waiver use and Emergency Operational Costs funds from October 1, 2020, through June 30, 2021, later this fall. Look for a future memorandum and email communications about this reporting requirement. All sponsors are required to complete this online reporting tool.

Renewal Requirements and Applications

7. How should I account for the Emergency Operational Costs payment in my PY22 Budget?

Review the Emergency Operational Funding for CACFP webinar ([Slides](#)) ([Recording](#)) and complete the companion worksheet, "Use of Emergency Operational Costs Reimbursement Program Funds for Renewing Institutions," located on the [Program Forms and Resources CACFP](#) webpage under the *Emergency Operational Funding* heading.

If the worksheet shows that all the funds were expended in PY21, then the existing cost documentation already on file is sufficient. If the worksheet shows that some or all of the funds must be carried over into PY22, then those carryover funds should be included in the *Projected Annual CACFP Reimbursement for the upcoming year* line of the PY22 Budget.

8. Where can I find the Menu Self-Assessment? How do I submit it to ADE?

As part of Arizona's State Monitoring Plan, HNS required all CACFP operators to complete a menu self-assessment in FY 2021 to support program integrity and meal pattern compliance. Per [HNS 01-2021: Menu Self-Assessment Requirement for CACFP Operators in FY 2021](#), operators will be required to upload the completed CACFP Menu Self-Assessment and upload it to the

Administrative Capability page of the Management Plan. The Menu Self-Assessment is available on the [Program Forms and Resources CACFP](#) page under the “Building a Menu” heading.

9. Do I need to submit a Menu Self-Assessment for each site during FY 2021?

No. Sponsors should upload one Menu Self-Assessment reflecting compliance across all menus and sites.

10. Will ADE offer an Annual CACFP Renewal Summit this year?

No. In lieu of an Annual CACFP Renewal Summit, ADE now requires 10 hours of training to be completed throughout the year. These trainings can be completed online or in-person and are available to any staff member. As a reminder, all CACFP operators must complete:

- a minimum of 10 training hours, which can be completed online or in-person;
- at least one nutrition training and at least one administration training; and
- at least one training by each person listed on the Permanent Agreement.

Additionally, annual [Civil Rights Compliance Training](#) must be completed by a person listed on the Permanent Agreement. All CACFP trainings available on the [Training for the Child and Adult Care Food Program](#) page are creditable toward the annual training requirement.

11. What training certificates should I submit and where do I upload them?

The training certificates for the required 10 hours of annual training and Civil Rights Compliance training will be uploaded in the Sponsor Information section of the Management Plan. The training agendas and sign-in sheets for annual internal staff trainings for CACFP and Civil Rights Requirements will be uploaded in the Administrative Capability section of the Management Plan.

12. What if 10 hours of training was not completed?

The required 10 hours of training must be completed and certificates submitted before the renewal application can be approved. There are many online trainings available on the ADE website, and they can be completed by any relevant staff members, as long as the minimum requirements above are met (see question 10).

13. What is the Single Audit Requirement?

The Single Audit is an annual requirement that ADE ensures is fulfilled by collecting this [Single Audit Questionnaire](#) from every operator, each year. Any operator who does not complete the questionnaire is considered to be out of compliance with CACFP. Operators that expend more than \$750,000 in Federal funds must also receive and submit a single audit to ADE. The questionnaire also includes an upload feature to submit the required audit, if necessary.

Please contact your Health and Nutrition Services Specialist with any questions regarding this guidance. You may also call 602-542-8700 option 1 or email ContactHNS@azed.gov to reach the Specialist of the Day.

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