Independent Child Care Centers

A Child and Adult Care Food Program Handbook

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Food and Nutrition Service
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Introduction

The Food and Nutrition Service (FNS) administers the nutrition assistance programs of the U.S. Department of Agriculture (USDA). The mission of FNS is to provide children and families better access to food and a more healthful diet through its food assistance programs and comprehensive nutrition education efforts. In addition to providing access to nutritious food, FNS has elevated nutrition and nutrition education to a top priority in all its programs. One such program is the Child and Adult Care Food Program (CACFP).

The CACFP serves nutritious meals and snacks to eligible children who are enrolled for care at participating child care centers. CACFP also provides meals and snacks to children and youth who participate in afterschool care programs or reside in emergency shelters.

Child care centers have the option to participate either under a sponsoring organization or independently in direct agreement with the State administering agency. This handbook will address the requirements for the participation of independent child care centers in the CACFP.

Independent Centers = Institution

Independent centers are also known as institutions. They enter into agreements directly with the State agency; they are "independent" of a sponsoring organization.

Historical Background

The earliest Federal meal assistance program for pre-school children in day care was the Special Food Service Program for Children (SFSPFC) year-round component, established by Public Law 90-302 in 1968. Authorized initially as a three-year pilot program, it provided reimbursement specifically limited to meals served in day care centers, settlement houses, and recreation centers which provided child care services in areas with high concentrations of working mothers and where poor economic conditions existed. Congress reaffirmed support for this limited assistance in 1972, when Public Law 92-433 extended SFSPFC authorization through fiscal year 1975.

1975: Congress enacted Public Law 94-105

- Established and authorized, for three years, the separate Child Care Food Program (CCFP) and mandated a number of significant changes:
    - For the first time, child care institutions and facilities were required to meet certain licensing or approval standards to participate;
    - Eligibility was extended to any public or private nonprofit organization providing nonresidential child care services, regardless of location; and
    - Application procedures and reimbursement formulas were patterned after the National School Lunch Program's (NSLP) free and reduced-price eligibility requirements, based on the household size and income of each enrolled child.

1978: Congress enacted Public Law 95-627

- Established several new provisions including the availability of advance payments on request to participating centers; a broader definition of "children" to include disabled persons over 18 years of age; and the expansion of eligibility to include Outside School Hours Care Centers (OSHCC). Also the CCFP was permanently authorized by this law.

1981: Congress enacted Public Law 97-35

- Reduced the eligibility age limit from 18 to 12 years, except for migrant workers' children who can participate through age 15, and disabled persons attending eligible institutions and facilities. It also set a limit on the maximum number of reimbursable meals at two meals and one supplement (snack) or one meal and two snacks per child per day.

1988: Congress enacted Public Law 100-435

- Provided for an additional reimbursable meal or snack for children in attendance at child care centers for eight or more hours per day.

1989: Congress enacted Public Law 101-147

- Authorized State agencies to take center renewal applications and agreements on an every-other-year basis and changed the name of the CCFP to the CACFP.

1994: Congress enacted Public Law 103-448

- Further amended the renewal application process to allow centers, at the discretion of the State agency, to reapply at three-year intervals. This law contained several other provisions, including automatic eligibility for Even Start.

1996: Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193)

- Reduced the maximum number of meals which may be claimed for reimbursement by child care centers participating in CACFP to a maximum of two meals and one snack, or one meal and two snacks, regardless of the length of time a child is in attendance.

1998: Child Nutrition Reauthorization Act of 1998 (Public Law 105-336)

- Several provisions in this law affected the administration of CACFP for child care centers:
    - Authorized OSHCCs, in areas where Federal, State or local licensing or approval is not required, to participate in CACFP by meeting State or local health and safety standards.
    - Removed reference to an institution’s receipt of Title XX funds as an acceptable form of approval when Federal, State or local licensing or approval is not available.
    - Transferred authority over Summer Food Service Program (SFSP) homeless sites to CACFP.

- Permanently reinstated categorical (automatic) eligibility for free meals in CACFP for pre-kindergarten children participating in the Even Start Program.

- Provided funding on an entitlement basis for the demonstration projects conducted in the States of Kentucky and Iowa. Under these demonstration projects, for-profit child care centers in these two States were eligible to receive CACFP reimbursement if at least 25 percent of the children enrolled in the center, or 25 percent of its licensed capacity, were determined eligible for free or reduced-price meals.

2000: Agricultural Risk Protection Act of 2000 (Public Law 106-224)

- Public Law 106-224 amended a number of provisions in the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966.

    - Mandated new criteria that institutions must meet to be eligible for Program participation. Institutions determined ineligible to participate in any other publicly-funded Program for violating that Program's requirements are also then ineligible to participate in CACFP.

    - Mandated that State agencies must only approve institutions for participation in the Program that are financially viable, administratively capable, and have in effect internal controls to ensure Program accountability.

    - Required that applicant institutions have tax exempt status, as defined under the Internal Revenue Code (IRC) of 1986; operate a Federal Program requiring nonprofit status to participate in the Program; or receive Title XX compensation for at least 25 percent of the children enrolled in the day care center or 25 percent of the licensed capacity, whichever is less.

    - Required that centers inform parents or guardians of children enrolled in CACFP centers about the Program and its benefits.

    - Authorized a third demonstration project that allowed for-profit centers to participate in CACFP if 25 percent of their enrollment or licensed capacity were eligible for free or reduced-price school meals.

    - Added meal (supper) benefit provisions for at-risk afterschool care centers in six States.

2004: The Child Nutrition and Women, Infants and Children Reauthorization Act of 2004 (Public Law 108-265)

- Established that for-profit child care centers could participate in the Program if at least 25 percent of the children served were eligible for free or reduced-price meals. It also raised the age limit for non-disabled residents of emergency shelters eligible to participate in the Program to 18 years.

2010: The Healthy, Hunger Free Kids Act of 2010 (Public Law 111-296)

- The Act provided for improved access to nutrition assistance through Program expansion, outreach, and provisions that make it easier for children to get nutritious meals when they are away from home. Some provisions of the Act, which pertain to the operation of the CACFP by child care centers:
    - Expanded CACFP afterschool meals for at-risk children to all States;
    - Added nutrition and wellness to the Program purpose statement;
    - Allowed for fluid milk substitutes; required fluid milk substitutes for non-disabled children to be nutritionally equivalent to milk (same as existing requirement for schools);
    - Required all child care centers to make water available at meal times and throughout the day;
    - Required CACFP State agencies to enter into permanent agreements with institutions;
    - Required one-time application to CACFP, with annual updates of licensing and other information; and
    - Expanded automatic eligibility for free meals to a foster child who is the responsibility of the State or placed by a court.

2011: Child and Adult Care Food Program: Improving Management and Program Integrity (Final rule)

- Allowed participating institutions to submit only the names of publicly-funded programs they are newly participating within since the previous year rather than reiterating their entire list each year.
- Required that an ‘‘institution’s governing board of directors’’ must: (1) Meet on a regular basis; and (2) Have the authority to hire and fire the institution’s executive director (i.e., the board must be independent of the executive director’s control).

2011: OIG Audit Report No. 27601-0012-SF, Review of Management Controls

- Required that Program application materials and submissions to the National Disqualified List (NDL) include full legal names and any names formerly used.
- Required centers to report, no less often than annually, their actual expenditures of Program funds and the amount of meal reimbursement funds retained from centers (if any) for administrative costs.

2012: Issued Amendments Related to the Healthy, Hunger-Free Kids Act of 2010, published in the Federal Register

Required renewing institutions to certify that they have no unreported less-than-arms-length transactions or other potential conflicts of interest and that any anticipated less-than-arms-length transactions or other potential conflicts of interest in the upcoming year have been disclosed to the State.

Who Administers the Program

USDA's FNS administers the CACFP through grants to States. The Program is administered by the State educational agency or another agency designated by the State. Independent centers enter into agreements with their administering State agency to assume administrative and financial responsibility for CACFP operations [7 Code of Regulations (CFR) 226.2 *Definitions].*

About This Guidance

This handbook specifically focuses on CACFP operations by an independent child care center. The term 'participant' means either an enrolled and participating infant or child in a child care center. Center officials should be sure to discuss CACFP, otherwise known as "the Program," details such as forms, requirements, and operating procedures with their State agency since additional or State-level requirements may be applicable.

FNS recognizes that maintaining a high-quality, nutritious meal service requires a commitment to excellence on the part of child care center personnel. The FNS applauds the efforts of the many dedicated persons who ensure that the participating children are served wholesome, appealing, and nutritious meals in a sociable environment while meeting the requirements for Federal assistance.

Part 1. Eligibility Requirements

A. Participant Eligibility

Enrollees in eligible centers can receive CACFP benefits if they are:

- Age 12 years and under; or
- Children of migrant workers 15 and under; or
- Mentally/physically disabled persons, as defined by the State, at any age if the majority of enrollees are age 18 or under; or
- Children age 18 and under participating in approved temporary emergency shelters and at-risk after school Programs.

B. Center Eligibility

A child care center must meet eligibility requirements to participate in the Program [7 CFR 226.15; 226.17; 226.17a; 226.19]. The center must:

- Provide nonresidential care services (except emergency shelters);
- Be licensed or approved by Federal, State, or local authority or be alternately approved by demonstrating compliance with State, local, or CACFP child care standards; and
- Be public, nonprofit, or for-profit.
    - Public Centers

      Public centers include those run by Federal, State, or local government, such as centers run by public schools and Community Action Programs.

    - Nonprofit Child Care Centers

      The CACFP regulations require all nonprofit child care centers to have tax-exempt status under the IRC of 1986. Centers do not need to have "501(c)" status in order to participate as a nonprofit center; any Internal Revenue Service (IRS) nonprofit "status" is acceptable. A letter from the IRS citing the center's name, address and the status is adequate.

      Churches are exempt automatically if they meet the requirements of section 501(c)(3) of the IRC under "organized for a religious purpose." This means that they are not required to apply for or document that they have tax exempt status [CACFP 05-2013 *Tax Exempt Status for Private Nonprofit Organizations in CACFP and SFSP*, January 24, 2013].

    - For-profit Child Care Centers

      A privately owned for-profit child care center may only participate in the Program if at least 25 percent of the children in care (enrollment or licensed capacity, whichever is less) are eligible for free or reduced-price

meals or receive benefits from Title XX of the Social Security Act, and the center receives compensation from funds granted to the States under Title XX.

Each for-profit center must meet the 25 percent requirement every month in order to be eligible to claim meals. However, there is no requirement that an appropriately enrolled Program participant be in attendance, or participate in a meal, at any time during the claim month.

At-Risk Centers

At-risk afterschool care center is eligible to participate if it provides educational or enrichment activities for at-risk children and teenagers after school or on weekends, holidays, or school vacations during the regular school year and is located in the attendance area of a school where at least 50 percent of the children are eligible for free or reduced-price meals. An at-risk afterschool care center may not claim meals during summer vacation, unless it is located in the attendance area of a school operating on a year-round calendar.

Exception

An emergency shelter may participate as an at-risk afterschool care center without regard to location.

These centers must be organized primarily to provide care for children and have organized, regularly scheduled activities, education or enrichment activities (i.e., in a structured and supervised environment). Organized athletic programs that only participate in interscholastic or community level competitive sports (for example, youth sports leagues such as “Babe Ruth” and “Pop Warner” baseball leagues, community soccer and football leagues, area swim teams, etc.) may not be approved as sponsors or independent centers in the Program. Students who are part of school sports teams and clubs can receive afterschool snacks or meals as part of a broad, overarching educational or enrichment program, but the program cannot be limited to a sports team [Fact Sheet: Athletic Programs and Afterschool Meals, October 2, 2012].

Additionally, afterschool programs that include supervised athletic activity may participate as long as they are “open to all” and do not limit membership for reasons other than space, security, or licensing requirements. For example, an afterschool police athletic league program that uses sports and recreational activities to provide constructive opportunities for community youth could be approved to participate [7 CFR 226.17a(b)].

Schools operating longer than the traditional school day may be eligible for at-risk afterschool meal reimbursement through the NSLP or CACFP, provided that they operate a school day that is at least one hour longer than the minimum number of school day hours required for the comparable grade levels by the Local Educational Agency (LEA) in which the school is located [7 CFR 226.19 and CACFP 01-2011 *Revised Eligibility of Expanded Learning Time Programs for Afterschool Snack Service in the National School Lunch Program and the Child and Adult Care Food Program*, January 21, 2011]. See also the At-Risk Afterschool Meals CACFP Handbook; a link has been provided in Part 10. D of this guidance.

Outside-School-Hours Care Centers

Public or private nonprofit centers that are licensed or approved to provide organized nonresidential child care services to children ages 12 and under during hours outside of school may participate in the Program as an OSHCC.

OSHCCs must be organized for the purpose of providing services to children and must be distinct from extracurricular Programs organized primarily for scholastic, cultural, or athletic purposes. School activities organized for purposes other than child care are not eligible to participate in the CACFP. Weekend-only centers operated by schools are not eligible as OSHCCs. In addition, OSHCCs are eligible to serve lunches to enrolled children during periods of school vacation, including weekends and holidays and to children attending schools which do not offer a lunch program, but they must be enrolled in the OSHCC as outlined in 7 CFR 226.19.

Emergency Shelters

Public or private nonprofit emergency shelters, which provide residential and food services to homeless children, may serve up to three meals a day to homeless children, through age 18, who reside at the shelter [7 CFR 226.2 *Definitions*, Emergency Shelters].

CACFP primarily serves children in nonresidential settings. Unlike other centers participating in CACFP, emergency shelters must serve residential children. Although some emergency shelters provide meals to nonresidential children and their families, it is clearly the intent of Congress to support at-risk children who temporarily reside in the facility where they receive their meals.

Therefore, meals and snacks served to children who are not residents of the shelter may not be claimed for reimbursement, unless the shelter is participating in the at-risk afterschool component of CACFP. Emergency shelters will have to differentiate between residential children and children who are served meals as "walk-ins" [CACFP 05-1999 *Participation of Emergency Shelters Serving Homeless Children*, March 30, 1999].

Head Start Centers

The Federal Head Start Program is administered by the U.S. Department of Health and Human Services (HHS). It is dedicated to providing child development services to low-income children and their families. Head Start centers which are licensed or approved to provide day care services are required to participate in the CACFP.

C. Licensing and Health and Safety Requirements

Federal, State or local licensing or approval is required as an assurance that the enrollees in attendance at the center are receiving care and that their meals will be served in a safe and healthful environment.

Child care centers which are in the process of getting their license renewed may participate in the Program during the renewal process as long as they are in compliance with the appropriate renewal procedure and unless there is an indication that the renewal will be denied [7 CFR 226.17(b)(1)].

At-risk and OSHCCs

Licensing is not required for at-risk or OSHCCs unless there is a State or local requirement for licensing. Where there is no State or local requirement for licensing, these centers must still

meet State or local health and safety standards [7 CFR 226.6(d)]. Required standards for each type of center may differ, depending on the building or location of the site, the structure of the Program, and the type of meal services offered.

Approval for At-risk and OSHCCs in Schools

A school's participation in the NSLP or School Breakfast Program (SBP) is sufficient proof of meeting required health and safety standards for CACFP purposes [CACFP 15-2012 *Health and Safety Standards for Outside-School-Hours Care Centers and At-Risk Afterschool Care Centers*, May 1, 2012].

Emergency Shelters

To participate in CACFP, an emergency shelter does not have to offer formal child care as recognized by a licensing authority; therefore, there is no Federal requirement for emergency shelters to have Federal, State, or local licensing or approval as a condition of eligibility. Rather, shelters must comply with all applicable State or local health and safety standards. The shelter must have the appropriate inspections or permits to certify that all applicable State and local standards and requirements are met at all times [7 CFR 226.6(d) and CACFP 05-1999 *Participation of Emergency Shelters Serving Homeless Children,* March 30, 1999].

Federal Approval

Federal approval occurs when facilities participate in other Federally-authorized and administered Programs.

EXAMPLES:

- Centers that participate in the Head Start Program under the HHS standards;
- Approval of childcare centers under the U.S. Department of Defense (DOD) instructions and standards; and
- Centers that participate on Indian Reservations that meet the Tribal Licensing procedures. CACFP 18-2012 *Tribal Participation in the Child and Adult Care Food Program and the Summer Food Service Program*, July 24, 2012, provides specific guidance for this type of local licensing.

Alternate Approval

Where Federal, State, or local licensing or approval standards are not applicable, or no mechanism exists to determine compliance with licensing or approval standards, child care centers may participate if they can show that they comply with applicable State or local child care standards or with CACFP child care standards. Independent centers must submit certification to the State agency that demonstrates compliance with appropriate health, sanitation, fire, and safety requirements. State agencies can provide information about alternate approval systems [7 CFR 226.6(d)(4)].

D. Questions and Answers

1. **If a State has an alternate approval system, is it mandatory to have health and fire inspection approvals?**

   Yes, any State agency approval system must include health and safety inspections.

2. **A day shelter provides case management and laundry services for homeless people. The participants do not stay at the shelter overnight. Can this shelter participate in the CACFP as an emergency shelter?**

   Day shelters cannot participate in the CACFP as they do not meet CACFP's definition of an eligible emergency shelter which is residential in nature [7 CFR 226.2 *Definitions*, Emergency Shelter].

3. **A child care center provides 36 - 72 hour emergency care for families in abusive situations. Would this be considered a residential situation prohibiting meals served to these children from being claimed in the CACFP?**

   Although FNS Instruction 776-4, Rev. 1 *Temporary Emergency Care in the CACFP* appears to only allow this type of emergency residential care in day care homes, such a situation was not contemplated when the Instruction was written. This is a special situation to protect abused children; therefore, the CACFP could be extended to a center of this type, as long as the three consecutive calendar days guidelines are applied.

4. **A child care center operating in the basement of a church has been approved to participate in the CACFP. The church operates a school program which has not been recognized as an accredited school by the State. The school had previously applied for the NSLP and was denied participation because of the non-accreditation. The center wants to serve lunches to the children in attendance at the school and claim the meals through the CACFP. Is this allowable?**

   In this setting, meals served to children may not be claimed under the CACFP because the children are in attendance at the school and not formally enrolled for attendance and care at the center.

5. **If an organization serving homeless families with children qualifies for the CACFP and it has a separate site which serves only teens under 18, is the site eligible to claim meals?**

   Yes, if the organization's primary purpose is to provide temporary shelter and meals to a majority of homeless families with children, the site would be considered eligible.

6. **An OSHCC has school age children in care all day in the summer. Since these children are in care all day in the summer, would enrollment forms still be required?**

   The CACFP regulations at 7 CFR 226.19 state, "OSHCCs shall be eligible to serve lunches to enrolled children during periods of school vacation." 7 CFR 226.15(e)(2) outlines the requirement that enrollment forms must be collected for these children for their summer care.

Part 2. Applying to Participate in the Program

Independent centers must be financially viable, administratively and operationally capable, and accountable to the State agency for its CACFP. There are a number of standards that centers must meet and a number of required tasks centers must conduct in order to participate in the CACFP. The application process is the means for centers to demonstrate their readiness and ability to operate the CACFP with integrity and to ensure that children have access to nutritious meals while in a safe child care environment.

The State agency will conduct a pre-approval visit to confirm the information in the application and to further assess the center's ability to manage the CACFP [7 CFR 226.6(b)(1)]. In additions, the State agency must provide training to applicant and participating centers. In order to meet the training requirement, and reach as many participants as possible, State agencies are encouraged to provide training at multiple venues throughout the year. Online trainings may be provided as well, as long as there is a means to test and verify that staff who require the training have actually received it. Some State agencies provide both training and application assistance online. Offering a variety of training opportunities can accommodate a wider range of institution needs.

A. Application Procedures for New Independent Centers

A newly-applying independent center must submit an application (written or electronic) to the State agency in order to participate in the CACFP. The applicant must describe how it meets the eligibility criteria. If there are questions about the application or the process, the applicant is encouraged to contact the State agency for advice and guidance.

Application Components and Forms - The following components must be included in a new center's application:

1. Documentation of compliance with licensing or approval requirements.

   If there are no State or local licensing requirements, the State must offer alternate approval and the center must show that it meets local health and safety standards [7 CFR 226.6(d)(4)].

   Emergency shelters and at-risk afterschool care centers are exempt from licensing/ approval requirements and must, instead, meet applicable State or local health and safety standards [7 CFR 226.6(d)(2); 226.17a(d); 226.19(1) and CACFP 15-2012 *Health and Safety Standards for Outside-School-Hours Care Centers and At-Risk Afterschool Care Centers,* May 1, 2012]. However, States or local jurisdictions may require licensing for at-risk afterschool care centers.

2. Evidence of public or private nonprofit status.

   Private nonprofit centers, other than churches, must provide documentation of their tax exempt status under the IRC of 1986 [7 CFR 226.6(b)(1)(vii) and CACFP 05-2013 *Tax Exempt Status for Private Nonprofit Organizations in CACFP and SFSP,* January 24, 2013].

3. An administrative budget in accordance with 7 CFR 226.7(g). See the *Guidance for Management Plans and Budgets CACFP Handbook* for details.

4. Preference for USDA Foods or cash-in-lieu (CIL) of USDA Foods - 7 CFR 250 governs USDA Foods.

   Centers must indicate in their application if they prefer USDA Foods or CIL. Each year, they will be provided with information about foods that will be available that year. See Part 4. J of this guidance and 7 CFR 226.5; 226.6(b)(1); 226.6(h) for details.

5. A public release to the local media announcing the availability of the Program, see Part 3 of this guidance for additional information, and a nondiscrimination and free and reduced-price policy statement.

6. Certification that the center is not ineligible for publicly-funded programs.

   Include a Certification Statement listing the publicly-funded programs in which the center and its principals have participated in the past seven years. See Part 10 of this guidance for a link to CACFP 19-2011 *Child Nutrition Reauthorization, Child and Adult Care Food Program Applications*, April 8, 2011, which includes a prototype Certification Form.

   Therefore, the center must be able to legally submit:

   a) A statement listing the publicly-funded programs in which the center and its principals have participated during the past seven years; and

   b) A certification that during the last seven years, neither the center nor its principals have been declared ineligible to participate in the CACFP or any other publicly-funded program by reason of violating that program's requirements.

      - If the center or any of its principals have been, in the past, disqualified from the CACFP, but have been removed from the NDL, the center may provide documentation that it and the principals have been reinstated or determined eligible for the Program.

7. Information on criminal convictions.

   If a center or any of its principals have been convicted of any activity related to lack of business integrity in the last seven years, it must not apply for participation in the Program. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other related activity as defined by the State.

8. Certification of Truth in Application and submission of names and address.

   The center must certify that all information on the application is true and correct, along with the name, mailing address, and date of birth of the center's executive director and chairman of the board of directors. When the center is administered by a school, the school administrator who signed the Program agreement and/or application materials is the executive.

9. Compliance with Performance Standards.

A newly-applying center must demonstrate that it can comply with the following performance standards of viability, capability, and accountability. All new and renewing centers must demonstrate they meet these performance standards through the application process. Only those centers that demonstrate compliance and ability to meet these performance standards will be approved for participation.

Report 'Other' Federal Funds

As part of the application process, the center must provide information about the sources of other Federal funding so the State agency will have access to necessary information for audit purposes.

a) **Performance Standard 1** - Financial viability and financial management;

1) Independent centers must document there is a need for another child care center providing CACFP meal benefits. This may be done by showing they are providing care services to a sufficient number of Title XX children to justify claiming as a for-profit center, or that they are currently licensed and serving children as a nonprofit center with nonprofit status, or by other means that the State agency defines.

2) Independent centers must demonstrate that they have the financial resources to operate the Program on a day-to-day basis. They must also have enough sources of funds to withstand temporary interruptions in Program payments should disruptions in Federal funding occur and/or when fiscal claims are taken against the center (usually due to failure to maintain Program records, correctly provide or count the meals and/or determine the children's eligibility status).

3) Costs in the center's budget must be necessary, reasonable, allocable, and appropriately documented [7 CFR 226.6(b)(2)(vii)(A)].

b) **Performance Standard 2** - Administrative capability;

The center must be capable of administering the CACFP. To demonstrate administrative capability, the new center must document that it has:

1) Appropriate and effective management practices in effect to ensure compliant operations of the CACFP. This may take the form of internal policies and position descriptions for each staff member;

2) Adequate number and type of staff;

3) Written policies and procedures that assign CACFP responsibilities and duties; and

4) Written policies and procedures that ensure compliance with civil rights requirements [7 CFR 226.6(b)(2)(vii)(B)].

c) **Performance Standard 3** - Program accountability;

1) Nonprofit centers must have adequate oversight by the governing board of directors. In for-profit centers, the owner is held responsible for overseeing the use of CACFP funds.

2) Independent centers must have financial systems with management controls in writing that ensure:

a. Fiscal integrity and accountability for all funds and property received, held, and dispersed,

b. Integrity and accountability of all expenses incurred,

c. Claims are processed accurately and timely,

d. Funds and property are safeguarded and used for authorized CACFP purposes, and

e. The system of safeguards and controls prevent and detect improper financial activities by employees [7 CFR 226.2 *Definitions*, Independent Governing Board; 226.6(b)(2)(vii)(C)].

3) Centers must maintain records to document compliance with Program requirements, including budgets, accounting records, and approved budget amendments.

10. Centers must have practices in place to ensure that the meal service, recordkeeping, and other Program requirements are performed properly. These practices must be documented in the application of independent centers and must document that centers will:

- Provide meals that meet meal pattern requirements;
- Comply with any licensing and health and safety requirements;
- Have a food service that complies with applicable State and local health and sanitation requirements;
- Comply with civil rights requirements;
- Maintain complete and appropriate records on file; and
- Claim reimbursement only for eligible meals.

Note: An emergency shelter must submit an application to the CACFP State agency to participate in the Program. The application would include an administrative budget, information about the numbers of children served, and statements regarding the shelter's options for receiving USDA Foods and advance payments. The shelter must document in its application that its primary purpose is to temporarily house and provide meals to children and their parents or guardians (though only the children's meals are eligible for CACFP reimbursement). The application must also include a

description of how the shelter will ensure that reimbursement is claimed only for meals served to eligible children who reside there [CACFP 05-1999 *Participation of Emergency Shelters Serving Homeless Children,* March 30, 1999].

11. Authorized Signature; and

    The signature by the center's chief officer (the individual elected or appointed to assume legal responsibility for the institution) is required. Any delegation of signature authority to another individual must include a letter or a "certificate of authority" to verify this delegation.

12. Program payments for centers.

    The center will receive payments only after an agreement with the State agency has been signed and reimbursable meals served.

    In some States, the policy permits applicant centers to earn reimbursement for meals served in the calendar month prior to the calendar month of execution of a Program agreement. All Program policies and procedures must have been in place and records maintained for that period. Contact the State agency to learn the applicable requirements for this possible option [7 CFR 226.11(a)].

Application Approval

Within 30 days of receipt of a complete application, an applicant center will be notified in writing from the State agency if it has been approved to participate or denied participation in the Program. The center cannot be approved for participation on a trial or probationary basis. If denied, it will be offered the State agency's appeal rights. If assistance is needed, contact the State agency for advice and guidance on how to complete the application [7 CFR Part 226.6(b)(3)].

Agreement Criteria

Once the State agency has approved an organization's application, the State agency and the independent center will enter into a permanent agreement. The agreement also must require the center to comply with applicable requirements. Those include:

- The center accepts final financial and administrative responsibility for management of a proper, efficient, and effective food service, and will comply with all requirements;
- Maintains civil rights requirements; and
- Allows State and Federal officials to make announced and unannounced reviews [7 CFR 226.6(b)(4)(iii)].

Although the agreement is permanent, it may be terminated for convenience by either party if the center is in good standing or for cause by the State agency if the center does not comply with Program requirements [CACFP 07-2011 *Permanent Agreements in the Summer Food Service Program and the Child and Adult Care Food Program,* January 14, 2011].

B. Application Procedures for Participating Centers

As a result of the passage of the Healthy, Hunger-Free Kids Act of 2010, renewing centers are no longer required to submit renewal applications on a periodic basis. Instead, they are required to annually provide:

1. Updated licensing information;

   The State agency may choose to obtain this information directly from the State licensing agency.

2. Certification that any information previously submitted to the State agency is current;

   See Part 10 of this guidance for a link to CACFP 19-2011 *Child Nutrition Reauthorization, Child and Adult Care Food Program Applications*, April 8, 2011, which includes a prototype Certification Form.

3. A budget if required by the State agency; and

   This is at the discretion of the State agency and varies from State to State.

4. A media release announcing the availability of meals and snacks to the center's attendance area. (Reference Part 3. D)

   The State agency may choose to issue a statewide media release [CACFP Policy *State Agency Public (Media) Release on behalf of Child and Adult Care Food Program Institutions,* September 18, 1996].

C. Application Process for Centers Participating in Other Child and Adult Care Food Programs

If an independent center is already participating in CACFP and wants to add another component, i.e., at-risk afterschool meals and/or snacks, Head Start, OSHCC, etc., the agreement with the State agency must be amended to reflect this additional meal service and its requirements.

D. Questions and Answers

1. Does the CACFP regulation require that an independent center submit a bond to the State agency?

Only sponsoring organizations must submit a bond, if required by State law, regulation, or policy.

2. Are independent centers required to submit a management plan?

Program regulations do not require a management plan from independent centers, but the State agency, with FNS approval, may require a management plan.

Part 3. Free and Reduced-price Policy

To operate the CACFP, independent centers agree to determine each enrolled child's eligibility for free, reduced-price, or paid meal categories, unless they choose to claim all meals at the paid reimbursement rate. Reimbursements paid to centers are based on the types of meals served and the number of enrolled children who meet the eligibility requirements for the free, reduced-price, or paid meal categories.

The exceptions to this requirement are at-risk centers, emergency shelters, Head Start, Early Head Start, and Even Start centers. These types of centers meet eligibility requirements that allow for all enrolled children's meals to be claimed in the free reimbursement category.

A. Free and Reduced-price Policy Statement

Each independent center must submit for approval a written free and reduced-price policy statement with its application for participation. The contents of the policy statement depend on the center's meal pricing system and must include an assurance that no child will be discriminated against during the course of the CACFP meal service.

The statement specifies the organization's policy on whether it requires separate meal charges and describes its procedure, using current income guidelines, for determining eligibility for free, reduced-price, or paid rates of reimbursement. If the center charges enrollees separately for meals, this procedure also determines their eligibility to receive meals free or at a reduced-price. For such centers, the system for collecting meal payments from reduced-price and paid meal recipients that does not identify them as such must be described in the policy statement. Application approval or renewal cannot be granted unless this policy statement is approved by the State agency [7 CFR 226.23].

There are two optional systems for charging for CACFP meals, both of which are tied to the Program's free and reduced-price meal policy. The systems are known as "nonpricing" and "pricing" Programs.

Nonpricing Programs

Nonpricing Programs are those in which the center assigns no separate charges for meals served to enrolled children. Since most centers charge fees or tuition covering all areas of their day care services, the majority of centers participating in the CACFP are nonpricing Programs. The children's meals are covered by the tuition payments and no money is exchanged at mealtime. If all enrollees pay tuition, no portion of which is specifically earmarked for food service, it is a nonpricing Program. Likewise, if enrollees pay different tuition fees for reasons other than meal service fees, it is a nonpricing Program. The policy statement that must be submitted for such centers consists of an assurance that all enrolled children are served the same meals at no separate charge, regardless of race, color, national origin, sex, age, or disability, and that there is no discrimination in the course of the center's food service [7 CFR 226.23(b)].

Pricing Programs

Pricing Programs are those in which enrolled children who do not qualify for free meals are charged separate fees for their meals. This may be direct payment from the child at the time each meal is served; a separate daily, weekly, or monthly food charge or meal ticket payment; a specifically earmarked portion of the tuition payment for food service; or an identifiable reduction

from the standard tuition rate for meals provided by parents. Independent centers which charge separately for meals must develop and submit a policy statement that:

- Sets forth the criteria and form that will be used to determine free and reduced-price eligibility for enrolled children;

- Describes the procedures used to accept free and reduced-price statement forms from each child's household;

- Describes the method used to collect payments from children paying the full price of the meal without overtly identifying those paying the reduced-price or those receiving a free meal;

- Provides for a hearing procedure for a child's household to appeal a free and reduced-price eligibility determination;

- Provides assurances that there will be no disclosure or overt identification of children eligible for free and reduced-price meals and no discrimination against any participant on the basis of race, color, national origin, sex, age, or disability; and

- Provides assurance concerning the maximum charges that will be made for reduced-price meals [7 CFR 226.23(c)].

The institution will choose which free and reduced-price policy it wishes to use for CACFP meals: pricing or nonpricing policy. Pricing Programs charge the family for the child's meal; this means the institution must have systems for taking meal fees in a manner that does not identify what category of meal the family is paying for. The institution must also have systems for claiming children's meals in the appropriate category without allowing others to know what category the child's meal will be claimed in. The benefit of a pricing Program may be that by taking in additional funds specifically for meals, the institution can reduce the fees it charges parents for child care.

B. Income Eligibility Determinations

When free and reduced-price reimbursements will be claimed, individual eligibility information must be collected for all enrolled children once each year. The information submitted by each child's household is compared to the USDA *Income Eligibility Guidelines* in order to determine the enrollee's free or reduced-price eligibility. USDA's *Income Eligibility Guidelines*, updated annually, are the same as those used for determining eligibility under the NSLP and SBP [7 CFR 226.23(e)(4)].

There are instances when schools participating in the NSLP may disclose children's names and all eligibility information, including eligibility status (whether they are eligible for free or reduced-price school meals or free milk), to persons directly connected with the administration of other Federal Child Nutrition Programs such as CACFP. In such cases, it must be made clear that the independent center receiving eligibility information cannot share the information with any other entity or institution. The independent center must also ensure that the information is securely stored and the number of individuals that have access to it is limited [CACFP 05-2008 *Sharing Income Eligibility Information,* February 15, 2008].

Children participating in the CACFP At-Risk Afterschool Meals Program are qualified based on area eligibility (school attendance areas in which at least 50 percent of the children are eligible

for free or reduced-price meals) and, therefore, no eligibility applications are required. For detailed information on this Program, please refer to the annually updated *At-Risk Afterschool Meals CACFP Handbook*. Likewise, children up to age 18 and persons with disabilities regardless of age who participate in CACFP emergency shelters are eligible for free meals without needing to submit individual eligibility information.

Automatic Eligibility

There are instances in which child care participants are given automatic eligibility for free meals regardless of income.

1. For a child who is a member of a Supplemental Nutrition Assistance Program (SNAP) or Food Distribution Program on Indian Reservations (FDPIR) household or who is a Temporary Assistance for Needy Families (TANF) recipient, their family need complete only the following information on a free and reduced-price application:

    a. The name(s) and appropriate SNAP, FDPIR or TANF case number(s) for the child(ren); and

    b. The signature of an adult member of the household.

2. Recent amendments and laws have allowed for automatic eligibility for foster children and children who are enrolled in Head Start and Early Head Start.

    a. The Healthy, Hunger-Free Kids Act of 2010 provides automatic eligibility for free meals, without further application, to any foster child whose care and placement is the responsibility of the State or who is placed by a court with a caretaker household. State agencies will network with the agency responsible for foster care services to facilitate foster children's information being available to centers.

    Note: The presence of a foster child in the household does not convey eligibility for free meals to all children in the household in the same manner as SNAP, TANF or FDPIR [CACFP 08-2011 *Revised Child Nutrition Reauthorization 2010: Categorical Eligibility of Foster Children,* April 16, 2013]

    b. The Improving Head Start for School Readiness Act of 2007 makes any child enrolled in Head Start automatically eligible for free meals without further application or eligibility determination [CACFP 11-2013 *Questions and Answers Regarding Participation of Head Start Programs,* updated May 17, 2013].

    c. Pre-Kindergarten Even Start participants are also automatically eligible for free meals based on CACFP Policy *Categorical Eligibility of Pre-Kindergarten Even Start Participants for Free Meal Benefits for Even Start Program Enrollees*, April 4, 2000.

3. Residential children in a participating emergency shelter's food service will be automatically eligible for free meals and snacks, without further application. Although a shelter may collect cash, SNAP, 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 [CACFP 05-1999 *Participation of Emergency Shelters Serving Homeless Children,* March 30, 1999].

Eligibility Categories

There are three possible income determinations that may be made on a household's income eligibility application:

- The free meal category is for a participant whose household size and gross income are at or below the eligibility level for free meals according to the current guidelines; or for those who receive SNAP, TANF, or FDPIR benefits. The free meal category is also for foster children and children who are enrolled in Head Start.

- The reduced-price meal category is for a participant whose household size and gross income do not meet the requirements for free meals, but who is at or below the eligibility level for reduced-price meals according to the current *Income Eligibility Guidelines*.

- The paid meal category is for any participant whose household gross income exceeds the eligibility guidelines for free or reduced-price meals, or those who are not a member of a SNAP, TANF, or FDPIR household. Enrollees for whom no income eligibility statement (or an incomplete or incorrect statement) has been submitted are also in the paid category.

C. Free and Reduced-Price Application Form

A child's free and reduced-price income eligibility information must be obtained on a form that is completed, signed, and submitted by the child's parent, guardian, or other household adult. A sample form and sample letters to the parent or guardian which explain the purpose for determining free and reduced-price eligibility are available and can be found in different languages on the FNS website. See CACFP 25-2011, *Translations for the Free and Reduced-price School Meals Application and Child and Adult Care Food Program Meal Benefit Income Eligibility Form,* August 2, 2011.

For all enrolled children (except those meeting the categorical eligibility criteria above), "income" includes the household's gross earnings, wages, welfare, pension, and support payments, unemployment compensation, social security, and additional cash received or withdrawn from any other sources, including savings, investments, trust accounts, and other resources. Some forms of military combat and/or per capita Tribal payments are not considered income [CACFP 03-2010, *Exclusion of Military Combat Pay,* September 15, 2010 and CACFP 18-2012, *Tribal Participation in the Child and Adult Care Food Program and the Summer Food Service Program, Q&A # 14*, July 24, 2012]**.**

A household with foster and non-foster children may choose to include the foster child as a household member, as well as any personal income earned by the foster child, on the same household application that includes its non-foster children. This may help the foster family's non-foster children qualify for free or reduced-price meals based on household size and income [CACFP 08-2011, *Revised Child Nutrition Reauthorization 2010: Categorical Eligibility of Foster Children,* April 16, 2013].

Finally, the free and reduced-price income eligibility application form must be signed by an adult household member such as the child's parent, guardian, or other adult, and the last four digits of the Social Security Number (SSN) of that adult (or an indication that he/she does not have a number).

Use of Social Security Numbers

The SSNs of each of the household members are not required on a household's income eligibility form; only the SSN of the person completing the form is required.

The SSNs (last 4 digits) are not required for categorically eligible households, only income eligible households.

Once properly approved for free or reduced-price benefits, a household will remain eligible for those benefits for a period not to exceed 12 months. Generally, the form is "properly approved" once evaluated and signed by the center; however, CACFP 06-2014 *Effective Date of Free or Reduced Price Meal Eligibility Determinations, December 3, 2013* allows the institution to establish the date of submission of an application as the effective date of eligibility, rather than the date the official approves it. This flexibility applies to eligibility determinations made through the application process only, and only to complete applications containing all required information at the time of submission (see part 3C of the Eligibility Manual for School Meals). Centers can use this flexibility when processing household income applications, as well as when waiting for documentation of other source categorical eligibility (e.g., for homeless or migrant children) indicated on a household application.

Centers exercising this flexibility must do so for all children in all participating centers and Programs. Centers may not require households to submit new applications prior to the 12 months expiration date, i.e., every October 1 or another date specified by the center [7 CFR 226.23(f), and CACFP 09-*2011, Child Nutrition Reauthorization 2010: Privacy Protection and the Use of Social Security Numbers in Child Nutrition Programs,* February 15, 2011].

D. Practices of Nondiscrimination

Overt Identification Prohibition

The CACFP regulations require that there be no obvious identification of free and reduced-price recipients that would cause embarrassment to any child. Therefore, the information submitted on the income eligibility statements and the free and reduced-price eligibility status of each child is confidential. Center officials who operate pricing and nonpricing Programs must be careful not to overtly identify any children at the time of payment during meal service periods or at any time [7 CFR 226.23(c)(5)].

Public Release

Each independent center must prepare and issue a public release to the local media announcing its intention to operate the Federally-funded CACFP. The State agency is encouraged to issue a statewide public release on behalf of its CACFP independent centers. This release must include:

- The current USDA *Income Eligibility Guidelines* for free and reduced-price meals; and

- A statement that the center does not discriminate against any child because of race, color, national origin, sex, age, or disability.

In addition:

- The release issued by child care centers shall also announce that children who are TANF recipients, SNAP or FDPIR households, or are Head Start participants are automatically eligible to receive free meal benefits. It shall also announce that a foster child or a child who is a member of a household receiving SNAP, FDPIR, or TANF assistance, or a Head Start participant is automatically eligible to receive free meal benefits.

- The release issued by all emergency shelters, at-risk afterschool care centers, and by other centers which elect not to charge separately for meals, must announce the availability of meals at no separate charge. An exception has been made for emergency shelters with protected addresses. They are not required to issue a public release [CACFP Policy *Participation of Emergency Shelters in the Child and Adult Care Food Program - Question and Answer*, #9, March 14, 2000].

- The release issued by child care centers which charge separately for meals shall announce the availability of free and reduced-price meals to children meeting the approved eligibility criteria.

A copy of the public release, including any additional information the center wishes to announce, must be provided to one or more newspapers, magazines, radio, or television stations that serve the area. A copy of the release should be kept on file and one copy sent to the State agency. Whether or not the media uses the public release, the responsibility has been fulfilled when the release is sent to them [FNS Instruction 113-1 Civil Rights Compliance and Enforcement - Nutrition Programs and Activities (Appendix B)].

Public Notification and Promotion

All leaflets, brochures, news articles, or bulletins that are made available to the public by the center shall contain a statement that the CACFP is available to all participants without regard to race, color, national origin, sex, age, or disability and include the procedure for filing a discrimination complaint. This statement, which appears on the inside front cover of this guidance, must be included in a prominent place in each publication [FNS Instruction 113-1 (Appendix B)].

E. Questions and Answers

1. When will a free and reduced-price income eligibility application form need to be completed for a foster child?

If a State or local foster agency does not initially provide documentation for a categorically eligible foster child, an application identifying the child as a foster child must be completed. Additionally, a household may now include foster children on their free and reduced-price application [CACFP 08-2011 *Revised Child Nutrition Reauthorization 2010: Categorical Eligibility of Foster Children,* April 16, 2013].

2. **Is documentation from a State or local foster agency required for a foster child who is identified on an application?**

   Documentation of a child's status as a "foster child" is only required if the household application is selected for verification. See Part 7 A. for information on State agency verification requirements.

3. **What documentation must be provided if a foster child is listed on a household application that is selected to be verified?**

   Documentation from a State or local foster care agency or the court where the foster child received placement is acceptable for verification. Direct contact from the foster care agency or court (for example, a list of foster children is sent to the LEA) is also acceptable documentation for verification. See Part 7 A. for information on State agency verification requirements.

4. **If a household chooses to include a foster child on their household application, are they required to report any personal income received by that foster child?**

   Yes, households must report any personal income received by the foster child on their household application. As stated before, foster payments received by the family from the placing agency are not considered income and do not need to be reported.

5. **If one child in a household is receiving SNAP, FDPIR or TANF benefits, does that make all of the children in the household categorically eligible for free meals in the CACFP?**

   Yes, if one child in the household is receiving SNAP, TANF, or FDPIR benefits, categorical eligibility for free CACFP meals extends to the other children in the household [CACFP 08-2009 *Extending Categorical Eligibility to Additional Children in a Household*, August 27, 2009 and CACFP 11 -2010 *Questions and Answers on Extending Categorical Eligibility to Additional Children in a Household,* May 3, 2010].

6. **If a child is categorically eligible for free meals based on enrollment in Head Start, or certification as a foster child, or as a homeless, runaway, or migrant child, is eligibility extended to other children in the household?**

   Extension of eligibility to others in the household only applies only to children receiving SNAP, FDPIR, or TANF benefits.

Part 4. Meal Patterns and Food Service

This chapter sets forth the meal patterns required by the regulations and provides food service suggestions for child care centers participating in the CACFP.

Meal Times

There are no Federal requirements regarding the timing of meal service; however, States must approve meal service times and may establish meal time requirements.

A. Approved Meal Types

Traditional Child Care Centers

Only the meal types specified in the center's agreement that are served in compliance with the meal pattern requirements may be claimed for reimbursement. The center may choose from the following meal types: breakfast, morning snack, lunch, afternoon snack, and supper. Independent centers may be approved to claim for reimbursement, a daily maximum of two meals (breakfast and/or lunch and/or supper) and one supplement (snack), or two snacks and one meal, to each enrolled participant in attendance. The meals/snacks must meet or exceed the meal pattern requirements. Refer to Part 4. C of this guidance. The independent center can select and implement the meal service styles (family-style or cafeteria) or methods of preparation (self-preparation or vended) best suited to the needs of the center and enrolled children [7 CFR 226.17(b)(3) and (4)].

At-Risk Afterschool Centers

At-risk centers may claim up to one meal and one snack per child per day and meals must be provided at no charge to the children. This could be any meal and different meals may be served on different days or to different groups of children. Meals and snacks must be served after the child's school day when school is in session. The center may be approved to serve meals and snacks at any time during the day on weekends and vacations. Such centers are approved to operate only during the regular school year. Reference the *At-Risk Afterschool Meals CACFP Handbook* for more detailed information regarding requirements for at-risk centers [7 CFR 226.17(b)(4)].

Outside-School-Hours-Care Centers

OSHCCs may be approved to claim one or more of the following meal types: breakfast, snack, or supper. A maximum of two meals and one snack or two snacks and one meal may be claimed daily for each child. In addition, such centers may be approved to serve lunch to enrolled school-age children during periods of school vacation, including weekends and holidays, and to enrolled children attending schools which do not offer the NSLP. Such centers, however, cannot be approved to operate the CACFP on weekends only [7 CFR 226.17(b)(5)].

Emergency Shelters

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

Only meals served in congregate meal settings are eligible for reimbursement. Meals which are consumed in private family quarters in an emergency shelter are not reimbursable.

Exception for Infants' Meals Served in 'Private Family Quarters' Within an Emergency Shelter

Meals provided for infants from birth through age 11 months but served outside the congregate setting may be claimed if the shelter:

- Provides all of the required components to the infant's parent or guardian; and
- Maintains records documenting that meals met the meal pattern requirements.

Additional information can be found in CACFP 05-1999, *Participation of Emergency Shelters Serving Homeless Children,* March 30, 1999.

B. Shift Meal Service

If a center serves meals to children in shifts (for example, if a lunch is served at different times during a day to two different groups of children) and does not violate the authorized licensed capacity during each shift, reimbursement for the meals is allowed. Serving meals in shifts must be clearly indicated on the application form and be approved on the center's agreement.

> **EXAMPLE:** Shift meal service occurs in half-day Head Start programs that care for one group of children in the morning and are served a morning snack and lunch; then a second group who attend their Head Start classes in the afternoon and are served lunch and an afternoon snack.

C. Meal Patterns for Infants and Children

The CACFP meal patterns require centers to serve meals that meet the nutritional needs of children, are consistent with the Dietary Guidelines for Americans, and are appetizing. Meal pattern requirements assist the menu planner in providing well-balanced meals and snacks that provide the appropriate amount of energy and nutrients a child needs during critical stages of growth.

The charts that follow show the required components for snacks and meals, with the minimum required serving sizes. Because older children have greater calorie needs, centers may serve larger portions to satisfy a child's appetite. Please remember that all food components (menu items) of the meal or snack must be served to each child all at the same time (unitized) [7 CFR 226.20].

Resources for meal planning include the following and website links are provided in Part 10. C of this guidance: *Feeding Infants: A Guide for Use in the Child Nutrition Programs, Building Blocks for Fun and Healthy Meals*,

Infant Meal Pattern Breakfast		
Birth through 3 Months	4 through 7 Months	8 through 11 Months
4-6 fluid ounces of formula[1] or breastmilk[2,3]	4-8 fluid ounces of formula[1] or breastmilk[2,3]; 0-3 tablespoons of infant cereal[1,4]	6-8 fluid ounces of formula[1] or breastmilk[2,3]; and 2-4 tablespoons of infant cereal[1]; and 1-4 tablespoons of fruit or vegetable or both
[1] Infant formula and dry infant cereal must be iron-fortified. [2] Breastmilk or formula, or portions of both, may be served; however, it is recommended that breastmilk 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 breastmilk per feeding, a serving of less than the minimum amount of breastmilk may be offered, with additional breastmilk offered if the infant is still hungry. [4] A serving of this component is required when the infant is developmentally ready to accept it.		

Infant Meal Pattern **Lunch or Supper**		
Birth through 3 Months	4 through 7 Months	8 through 11 Months
4-6 fluid ounces of formula[1] or breastmilk[2,3]	4-8 fluid ounces of formula[1] or breastmilk[2,3]; 0-3 tablespoons of infant cereal[1,4] ; and 0-3 tablespoons of fruit or vegetable or both[4]	6-8 fluid ounces of formula[1] or breastmilk[2,3]; 2-4 tablespoons of infant cereal[1] ; and/or 1-4 tablespoons of meat, fish, poultry, egg yolk, cooked dry beans or peas; or ½-2 ounces of cheese; or 1-4 ounces (volume) of cottage cheese; or 1-4 ounces (weight) of cheese food or cheese spread; and 1-4 tablespoons of fruit or vegetable or both
[1] Infant formula and dry infant cereal must be iron-fortified. [2] Breastmilk or formula, or portions of both, may be served; however, it is recommended that breastmilk 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 breastmilk per feeding, a serving of less than the minimum amount of breastmilk may be offered, with additional breastmilk offered if the infant is still hungry. [4] A serving of this component is required when the infant is developmentally ready to accept it.		

Infant Meal Pattern Snack		
Birth through 3 Months	4 through 7 Months	8 through 11 Months
4-6 fluid ounces of formula[1] or breastmilk[2,3]	4-6 fluid ounces of formula[1] or breastmilk[2,3]	2-4 fluid ounces of formula[1] or breastmilk[2,3], or fruit juice[5]; and 0-½ bread[4, 6] or 0-2 crackers[4, 6]

[1] Infant formula and dry infant cereal must be iron-fortified.
[2] Breastmilk or formula, or portions of both, may be served; however, it is recommended that breastmilk 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 breastmilk per feeding, a serving of less than the minimum amount of breastmilk may be offered, with additional breastmilk offered if the infant is still hungry.
[4] A serving of this component is required when the infant is developmentally ready to accept it.
[5] Fruit juice must be full-strength.
[6] A serving of this component must be made from whole-grain or enriched meal or flour.

Child Meal Pattern Breakfast Select All Three Components for a Reimbursable Meal			
Food Components	Ages 1-2	Ages 3-5	Ages 6-12[1]
1 milk fluid milk (low fat or nonfat for children over the age of 2)	1/2 cup	3/4 cup	1 cup
1 fruit/vegetable juice,[2] fruit and/or vegetable	1/4 cup	1/2 cup	1/2 cup
1 grains/bread[3] bread or	1/2 slice	1/2 slice	1 slice
cornbread or biscuit or roll or muffin or	1/2 serving	1/2 serving	1 serving
cold dry cereal or	1/4 cup	1/3 cup	3/4 cup
hot cooked cereal or	1/4 cup	1/4 cup	1/2 cup
pasta or noodles or grains	1/4 cup	1/4 cup	1/2 cup

[1] Children age 12 and older may be served larger portions based on their greater food needs. They may not be served less than the minimum quantities listed in this column.
[2] Fruit or vegetable juice must be full-strength.
[3] Breads and grains must be made from whole-grain or enriched meal or flour. Cereal must be whole-grain or enriched or fortified.

Child Meal Pattern Lunch or Supper			
Food Components	Ages 1-2	Ages 3-5	Ages 6-12[1]
1 milk fluid milk (low fat or nonfat for children over the age of 2)	1/2 cup	3/4 cup	1 cup
2 fruits/vegetables juice,[2] fruit and/or vegetable	1/4 cup	1/2 cup	3/4 cup
1 grains/bread[3] bread or cornbread or biscuit or roll or muffin or cold dry cereal or hot cooked cereal or pasta or noodles or grains	 1/2 slice 1/2 serving 1/4 cup 1/4 cup 1/4 cup	 1/2 slice 1/2 serving 1/3 cup 1/4 cup 1/4 cup	 1 slice 1 serving 3/4 cup 1/2 cup 1/2 cup
1 meat/meat alternate meat or poultry or fish[4] or alternate protein product or cheese or egg or cooked dry beans or peas or peanut or other nut or seed butters or nuts and/or seeds[5] or yogurt[6]	 1 ounce 1 ounce 1 ounce 1/2 egg 1/4 cup 2 Tbsp. 1/2 ounce 4 ounces	 1 1/2 ounces 1 1/2 ounces 1 1/2 ounces 3/4 egg 3/8 cup 3 Tbsp. 3/4 ounce 6 ounces	 2 ounces 2 ounces 2 ounces 1 egg 1/2 cup 4 Tbsp. 1 ounce 8 ounces

[1] Children age 12 and older may be served larger portions based on their greater food needs. They may not be served less than the minimum quantities listed in this column.
[2] Fruit or vegetable juice must be full-strength.
[3] Breads and grains must be made from whole-grain or enriched meal or flour. Cereal must be whole-grain or enriched or fortified.
[4] A serving consists of the edible portion of cooked lean meat or poultry or fish.
[5] Nuts and seeds may meet only one-half of the total meat/meat alternate serving and must be combined with another meat/meat alternate to fulfill the lunch or supper requirement.
[6] Yogurt may be plain or flavored, unsweetened or sweetened.

Child Meal Pattern Snack Select Two of the Four Components for a Reimbursable Snack			
Food Components	Ages 1-2	Ages 3-5	Ages 6-12[1]
1 milk fluid milk (low fat or nonfat for children over the age of 2)	1/2 cup	1/2 cup	1 cup
1 fruit/vegetable juice,[2] fruit and/or vegetable	1/2 cup	1/2 cup	3/4 cup
1 grains/bread[3] bread or cornbread or biscuit or roll or muffin or cold dry cereal or hot cooked cereal or pasta or noodles or grains	 1/2 slice 1/2 serving 1/4 cup 1/4 cup 1/4 cup	 1/2 slice 1/2 serving 1/3 cup 1/4 cup 1/4 cup	 1 slice 1 serving 3/4 cup 1/2 cup 1/2 cup
1 meat/meat alternate meat or poultry or fish[4] or alternate protein product or cheese or egg[5] or cooked dry beans or peas or peanut or other nut or seed butters or nuts and/or seeds or yogurt[6]	 1/2 ounce 1/2 ounce 1/2 ounce 1/2 egg 1/8 cup 1 Tbsp. 1/2 ounce 2 ounces	 1/2 ounce 1/2 ounce 1/2 ounce 1/2 egg 1/8 cup 1 Tbsp. 1/2 ounce 2 ounces	 1 ounce 1 ounce 1 ounce 1/2 egg 1/4 cup 2 Tbsp. 1 ounce 4 ounces

[1] Children age 12 and older may be served larger portions based on their greater food needs. They may not be served less than the minimum quantities listed in this column.
[2] Fruit or vegetable juice must be full-strength. Juice cannot be served when milk is the only other snack component.[3] Breads and grains must be made from whole-grain or enriched meal or flour. Cereal must be
whole-grain or enriched or fortified.
[4] A serving consists of the edible portion of cooked lean meat or poultry or fish.
[5] One-half egg meets the required minimum amount (one ounce or less) of meat alternate.
[6] Yogurt may be plain or flavored, unsweetened or sweetened.

Try developing two months' worth of menus that can be cycled throughout the year. Another option is to serve cold meals that require little preparation, such as wraps and salads. Below are sample menus for snacks, lunches, and suppers.

Sample Snack	
1 oz. cheese ½ cup enriched macaroni Water	4 oz low-fat yogurt 1 oz graham cracker sticks (4 crackers) Water
Sample Lunch/Supper	
2 oz lean, hamburger made from 100 percent ground beef ½ cup baked sweet potato fries ½ cup apple slices 1 whole wheat bun 1 cup nonfat milk	1 cup (8.8 oz by wt) chicken salad ½ cup lettuce and tomato salad ¼ cup pineapple 1 slice 100 percent whole wheat bread 1 cup 1 percent milk

Required Meal Components

The following sections provide details on each of the meal pattern components [7 CFR 226.20].

Meat and Meat Alternates

Child care centers are required to serve a meat or meat alternate at lunch and supper and may choose to serve a meat or meat alternate at breakfast and/or snack. For entrees that include meat, the meat or meat alternate must be served in the main dish, or in a main dish and one other menu item for lunch/supper meals. Additionally, any dish served must contain at least ¼ ounce of a meat/meat alternate per serving in order to be counted toward the full meat/meat alternate requirement.

<u>Examples of meats/meat alternates</u>

- Beef, chicken, fish, ham, pork, turkey, and eggs
- Cheese
  Swiss, ricotta, part-skim mozzarella, cottage cheese, American, cheddar, and other cheeses
- Dry beans and peas*
  Lentils, navy beans, black beans, kidney beans, pinto beans, black-eyed peas, refried beans, chickpeas, and soy nuts

  * May also count as a vegetable, but not if they are meeting the meat requirement in the same meal

- Peanut butter, almond, and other nut butters **

  ** **Caution:** *Children under 4 years of age are at the highest risk of choking. Young children should not be fed a spoonful or chunks of peanut butter or other nut butters. Instead, USDA recommends that peanut butter and nut butters should be spread thinly on bread or crackers*.

- Walnuts, peanuts, almonds, soy nuts, other nuts, and seeds ***

  *** *Nuts and/or seeds served to children should be ground or finely chopped and served in a prepared food*

- Yogurt

  Commercially produced yogurt, plain or flavored, unsweetened or sweetened

- Alternate Protein Product (APP)

  APP is an ingredient mixed/made into such foods as ground beef patties, meat loaf, tuna salad, chicken nuggets, pizza toppings, etc.

  Note: Tofu is not a creditable APP since there is no standard of identity for tofu.

  Reference the *Food Buying Guide and the Crediting Guide for the CACFP* for additional guidance.

BETTER CHOICES FOR BETTER MEALS

- Serve peanut butter with apple slices on whole wheat bread.
- Serve lean meats, skinless poultry, and low-fat cheeses.
- Mix ground beef with ground turkey for hamburgers or taco filling.
- Try lentils or navy beans in soup.

Vegetables and Fruits

Child care centers are required to serve a vegetable and/or fruit as a component for each reimbursable breakfast and may choose to serve a vegetable or a fruit as one component of snack. Reimbursable lunches/suppers require two or more servings of a different vegetable and/or fruit (may not be two servings of the same food).

Items that are mixtures of multiple vegetables and/or fruits (for example, fruit salad, vegetable medley, etc.) only count as one vegetable/fruit serving. Mixed dishes containing at least ¾ cup or more of each different fruit/vegetable in combination with a meat/meat alternate are considered two servings of the vegetable/fruit component and meet the full requirement.

Recommendations for Increased Nutrition

To align with the most current Dietary Guidelines, centers are encouraged to serve more vegetables from the dark green, deep orange and red, and dry beans and peas categories for optimal nutrition. Serving fresh fruit ensures that a variety of fruit will be offered since many fruits are only available in their fresh form.

Examples of vegetables and fruits

- Vegetables (dark green, red, orange)
  Broccoli, carrots, romaine lettuce, collard greens, green pepper, bell pepper, kale, pumpkin, spinach sweet potato, winter squash

- Vegetables (starchy)
  Potatoes, corn, green peas

- Vegetables (Other)
  Cabbage, cauliflower, celery, cucumbers, green beans, lettuce, okra, onions, summer squash, vegetable juice, zucchini, green pepper

- Dry beans and peas*
  Black beans, chickpeas, kidney beans, lentils, navy beans, peas, pinto beans, soy beans

  *May also count as a meat/meat alternate, but not if they are meeting the vegetable requirement in the same meal

- Fruits (citrus, melon, berries)
  Oranges, grapefruit, citrus juices (orange juice, pineapple juice, etc.), cantaloupe, watermelon, strawberries

- Fruits (other)
  Apple, apricot, banana, cherries, fruit juice (apple juice, grape juice, etc.), grapes, peach, pear, pineapple, plum, prunes, raisins

Guidelines for Fruit Juice

- No more than ½ of the fruit/ vegetable component requirement can be met with full strength 100 percent juice during lunch/supper
- May not be served as a snack if fluid milk is the only other component being served
- Should be pasteurized

BETTER CHOICES FOR BETTER MEALS

- Mix a colorful medley of broccoli, cauliflower, and carrots.
- Use spinach, romaine, and mixed greens for salad.
- Serve seasonal vegetables (artichokes, pumpkin, okra, etc.).
- When offering canned fruits, choose those packed in light syrup or natural juices.
- Buy frozen mixed fruit and add fresh bananas.
- Introduce unfamiliar fruits such as kiwi, papaya, mango, apricots, dates, and figs.
- Limit the amount of juice offered in meals and snacks.

Grains and Breads

Breads or grain products must be included with all meals. Breads and grains served must be made primarily of whole-grain, enriched, or fortified flour or meal. When trying to determine if a product is whole-grain, look for the word “whole” (whole wheat, whole corn, etc.) in the first ingredient listed on the food package.

Examples of grains and breads

- Enriched breads, cereals, pasta
  Bagels, cornbread, grits, crackers, pasta, corn muffins, noodles, pita bread, ready-to-eat cereal, white bread, rolls, corn tortillas

- Whole Grain breads, cereals, pasta
  Brown rice, whole corn tortilla chips, whole-grain rye bread, whole-grain ready-to-eat cereal, whole-wheat pasta, whole-grain crackers, whole-wheat bread, whole-wheat rolls, whole-wheat tortillas

BETTER CHOICES FOR BETTER MEALS

WHAT DOES THAT MEAN?

- **Whole-grain flour or meal** means it is made from grinding the entire grain of wheat stalk which consist of the bran, germ, and endosperm.
- **Enriched** means additional iron, thiamin, riboflavin, niacin, and folic acid have been added because these nutrients were removed from the product during the processing stage.
- **Fortified** means additional iron, thiamin, riboflavin, niacin, and folic acid have been added because they were not included in the original form.
- If a product is truly **whole-grain, fortified, or enriched**, then the product name on the food label will say whole-grain, fortified, or enriched.
- Substitute unsweetened, whole-grain, ready-to-eat cereal for croutons in a salad or in place of crackers with soup.
- Try different pasta flavors like tomato, spinach, or whole wheat.
- Add smaller pastas such as macaroni, alphabet letters, and small shells in soups.
- Try brown rice or whole wheat pasta.
- Add whole-grain flour or oatmeal when making baked treats like cookies.
- Use whole grains in mixed dishes, such as barley in vegetable soup or stews and bulgur wheat in casseroles or stir-fry.

Milk

Child care centers are required to serve milk at all meals as a beverage and may choose to serve milk as one component of a snack when the other component is not juice. Milk used as an ingredient in cooked meals, such as casseroles, puddings, and other foods, is not considered a serving.

The Healthy, Hunger-Free Kids Act of 2010 requires that all milk served in the CACFP to children over the age of two be low-fat (1 percent) or fat free (skim) [CACFP 21-2011 *Revised-Child Nutrition Reauthorization 2010: Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions,* September 15, 2011].

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Examples of milks

- Pasteurized unflavored or flavored milk, buttermilk, reduced-lactose milk, acidified milk, reconstituted powdered milk, Ultra-High Temperature (UHT) milk

BETTER CHOICES FOR BETTER MEALS

- For children who request it, serve alternative types of milks (reduced-lactose milk, acidophilus milk, etc.).
- Try shelf-stable UHT milk.

D. Substitutions and Variations

If the institution serves children that have disabilities or special dietary needs that lead to alterations of the meal pattern or the menu, ensure that these children are being served meals in accordance with their needs and confirm that the appropriate documentation has been obtained and retained to support claiming the meals. See Part 11, Attachment 1 for a prototype form for documenting a medical or special dietary needs substitution.

- **Medical Statements** – In order to claim a meal that does not conform to the regulatory meal pattern, there must be a medical reason or a special dietary need and a signed statement on file.

- **Disabilities** - If an institution is serving a child with a disability and that disability directly affects which foods the child can consume, the parent and/or guardian must submit a medical statement signed by a licensed physician. The medical statement must be kept on file, handled confidentially, and must describe:

  - The child's disability and an explanation of why the disability restricts the child's diet;
  - The major life activity affected by the disability;
  - The food or foods to be omitted from the child's diet, and
  - The appropriate substitutions.

- **Special Dietary Needs** - If an institution is serving a child with special dietary needs (e.g., vegetarian), the parent/guardian may request substitutions by submitting a medical statement signed by a recognized medical authority, such as physician, physician assistant, nurse practitioner or other professional specified by the State agency, listing the foods to be omitted and appropriate substitutions.

Note: Milk substitutions that are made due to special dietary needs that are <u>not a disability</u> must be nutritionally equivalent to milk, even if accompanied by a medical statement. The institution can make such substitutions at its discretion.

For additional information, see FNS Instruction 783-2 *Accommodating Children with Special Dietary Needs,* and CACFP 21-2011 *Revised-Child Nutrition Reauthorization 2010: Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions,* September 15, 2011.

E. Water Availability

Drinking water must be made available to children throughout the day, including at meal times. While water must be made available to children during meal times, it is not part of the reimbursable meal and cannot be served in lieu of fluid milk.

Water can be made available to children in a variety of ways, including simply providing water to a child when it is requested. Please contact your State agency for questions pertaining to this requirement [CACFP 20-2011 *Child Nutrition Reauthorization 2010: Water Availability in the Child and Adult Care Food Program,* May 11, 2011].

F. Family Style Meal Service

Meals may be served in a family style setting where foods are placed on the table in serving dishes and children serve themselves from the main dish, with assistance from the supervising adult, as necessary. Centers that use this type of meal service might find that the children enjoy it and prefer it. Unlike preset service methods, family style meal service can increase children's acceptance of offered foods and their willingness to try new foods. This is because they will see other children choosing certain food items and feel a sense of control over choosing foods and how much to take. Meals served in compliance with the following practices are eligible for reimbursement [FNS Instruction 783-9 *Family Style Meal Service in the Child and Adult Care Food Program*]:

- A sufficient amount of prepared food must be placed on each table to provide the full required portions of each of the food components for all children at the table and to accommodate the supervising adult;

- Every child should initially be offered and encouraged to take the full portion of each meal component required for his or her age group; and

- If a child initially refuses a component or does not take the full portion size required for his or her age, the supervising adult is responsible for actively encouraging the child to at least take a trial portion, or offering a second helping of the food component during the course of the meal.

G. Nutrition Education

A child care center is often the first extended out-of-home experience for infants and young children without their parents. Many parents, when choosing day care, look for a center with a structured educational program where staff is likely to be knowledgeable in early childhood education and training. Meals served family style in the center represent one of the best opportunities to introduce foods to children and to reinforce and expand good eating behaviors started by parents. Day care also provides the opportunity to teach young children healthy lifetime eating habits by providing nutritious meals and snacks and incorporating age-appropriate nutrition education activities in the daily schedule. It also provides an opportunity to impart nutrition education information to parents through their children and their drop-in visits to the center.

In addition to their own knowledge and creativity, there are many available resources that can assist center directors and caregivers in teaching nutrition concepts to participating children and their parents. See Part 10 of this guidance for hyperlinks to the FNS Information Center and the

National Food Service Management Institute where publications and contacts for audio-visual and printed are materials available.

H. Meal Preparation Systems

The best system of meal preparation in a given situation will depend upon such factors as the type of menu desired, the availability of food service equipment, space and personnel, and the budget of the organization. The following list includes the several types of food service systems available to centers.

1. **Onsite:** Onsite preparation is the most commonly used food service system. The meals are prepared at the same location where they are to be served. This is usually the most economical method when the center has a kitchen, sufficient food preparation equipment, and available staff. All or part of the food may be prepared onsite and the remainder purchased by the institution from an outside source, such as a school, hospital, or commercial vendor or farmers market. The FNS Instruction 796-2, Rev. 4 provides guidance for funding food grown by and used in the child care center's meals. This option offers education opportunities and may decrease food costs.

2. **Purchasing from a School:** Meals may be purchased from a school that participates in the National School Lunch Program, either in bulk or as individual packaged units. An independent center that receives meals from a school must enter into a written agreement with that school. This agreement must contain the basic provisions of the Program requirements. Signing an agreement with a school to provide meals does not relieve the independent center of its Program responsibilities for monitoring and recordkeeping. The school should provide a copy of the menus served and meal service records required by the State agency [7 CFR 226.19a(b)(7)].

3. **Purchasing From a Food Service Management Company:** Food service management companies are organizations that prepare and deliver meals. An independent center that purchases meals from a food service management company must enter into a written contract with the company. The State agency can provide a copy of the standard contract that must be used and guidance on meeting procurement standards. Signing a contract with a food service management company does not relieve the center of its Program responsibilities for monitoring and recordkeeping. Regulations require that a copy of the contract be submitted to the State agency before the beginning of Program operations under the contract; and all bids totaling $50,000 or more shall be submitted to the State agency for State agency approval before the institution accepts and signs any contract. In additional, all bids shall be submitted to the State agency for approval before accepting a bid which exceeds the lowest bid. State agencies shall respond to any request for approval within 10 working days of receipt [7 CFR 226.21(a) and (c)].

4. **Purchasing from a Commercial Vendor:** Commercial vendors are public organizations (hospitals, college cafeterias, etc.), private commercial enterprises, or individuals that provide nonfood items or individual food items but not complete meals. An independent center that purchases from a commercial vendor must enter into a written contract with the vendor. The State agency can provide a copy of the standard contract and additional guidance on meeting procurement standards.

I. Procurement Standards

Purchasing rules were developed for institutions that utilize public funds in their Programs. To ensure Federal or State funds are used as wisely as possible, procurement standards outline specific steps to compare costs and to seek bids from interested vendors prior to making expenditures.

An independent center that contracts with a food service management company or commercial vendor should be aware of the procurement provisions governing the Program as outlined in detail in the CACFP regulations [7 CFR 226.22]. Here, in brief, are those guidelines.

Independent centers may use their own procedures for procurement with Program funds as long as they comply with the following requirements.

- All procurement transactions will provide open and free competition and will not restrict or eliminate competition.

- Institutions must maintain a written code of standards of conduct that will govern the performance of all individuals involved with awarding and administering the contracts that are supported by Program payments. As a part of this code, employees, officers, or agents of the grantee may not participate in the selection, or in the award of administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Additionally, favors or gratuities may not be solicited or accepted to or from parties or potential parties involved with the award.

- Policies will be put into place to ensure that proposed procurement actions will be reviewed by institution officials to avoid the purchase of unnecessary or duplicative services or items and to choose the most economical approach.

- Affirmative steps will be taken to utilize small and minority business when possible. This includes but is not limited to: including these types of businesses on solicitation lists, soliciting them when possible, dividing tasks or quantities when possible to ensure maximum small or minority business participation, and using the Small Business Administration and the Minority Business Enterprise of the Department of Commerce as required. Similar steps should be taken in support of women's business enterprises as well.

Be Alert to Internal and External Conflicts of Interest -- AVOID:

- The exchange of anything of monetary value between the contractor and center that might influence the award or prohibit free and open competition; and

- Contracting with family of board members for procurement or to perform services such as outreach or monitoring.

USDA requires all procurements of $150,000 or more to be formally advertised for a contract in accordance with regulations, unless, under certain instances, the State agency decides otherwise [CACFP 15-2013 *Existing Flexibilities in the Child and Adult Care Food Program,* July 26, 2013 and CACFP 01-2013, *Federal Small Purchase Threshold Adjustment,* October 2, 2012]. State or local laws may require independent centers or sponsors to advertise for a contract of procurement of less than $150,000. State and local laws should be reviewed for specific requirements. State agencies may require the following when formally advertising a contract.

- The State agency must be notified and public announcement of the proposed contract must be made at least 14 calendar days before the opening of bids. The announcement must include the time and place of the bid opening and information about obtaining a copy of the complete specification for the proposed meal service.

- The invitation for bid (IFB) must be clear and accurate so that all prospective bidders have an equal chance of potentially getting the contract.

- The IFB may not provide for liens or other monetary benefits, terms, or conditions to be made by food service management companies or commercial vendors.

- The only nonfood items that can be included are those necessary for the food service (such as straws, napkins, or packaging).

- The bids must be opened publicly.

- Bids totaling $50,000 or more must be submitted to the State agency for approval.

- The State agency must be informed which bid will be chosen. If the lowest bid is not accepted, a justification for awarding the contract to a higher bidder must be provided.

State and Local Thresholds

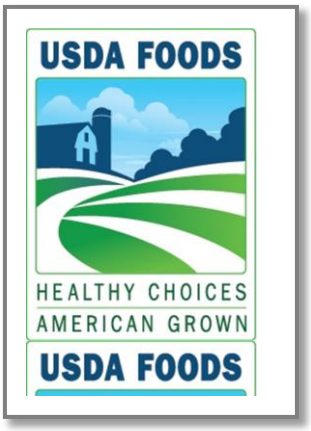
State governments and local organizations may set procurement-related thresholds that are different than the Federal thresholds. In these cases, institutions must follow the requirements with the lowest threshold.

Although State agencies may impose more restrictive procurement procedures, adopting the simplified acquisition procedures for small purchases, up to the threshold set by 41 U.S. Code 143, would streamline the process for CACFP institutions.

The procurement standards apply to any contract whether it is for meals, food items, supplies, equipment, or other related services. Because State and local laws differ, the State agency can provide specific detailed information regarding applicable purchasing or contracting procedures [7 CFR 226. 22]. Refer to the National Food Service Management Institute website link in Part 10 of this guidance for free online training on procurement issues.

J. USDA Foods or Cash-in-Lieu of USDA Foods

In addition to cash reimbursement for meals, the USDA offers participating child care centers the option of receiving additional USDA Foods or cash-in-lieu (CIL) of the additional foods. These are provided at an annually adjusted per meal rate for each lunch and supper served.



USDA Foods are foods that USDA acquires through subsidy Programs or purchases in large quantities. Depending on seasonal crop conditions, USDA may acquire or buy canned and/or fresh fruits and vegetables, wheat products, beef, peanut butter, or any number of other products. USDA then provides these foods to State distributing agencies, which in turn distribute them to child care centers, schools, hospitals, prisons, and other institutions and organizations that participate in the Federally assisted meal service Programs.

Each participating independent center will elect to receive USDA Foods or CIL depending on how and when the State agency offers options. Some centers elect CIL because they have found that the size of available food packages is too large for timely use or because pick-up and adequate storage would be difficult. If CIL rather than USDA Foods is chosen, a payment at the current year's commodity entitlement rate for each lunch and supper served will be made in addition to per meal cash reimbursements.

When the majority of centers elect to receive CIL and the State distributing agency determines that it would not be practical to distribute USDA Foods to a small number of centers electing them, the State agency may choose to offer only CIL to all participating centers within that State. State agencies should periodically update centers on the improvements and products made available by USDA Foods so those centers choosing CIL may also periodically reconsider accepting and using these valuable products.

Like all other CACFP centers, emergency shelters may choose to receive USDA Foods or CIL through CACFP. Many of them also obtain USDA Foods through The Emergency Food Assistance Program. Homeless shelters can use any or all of those USDA Foods to prepare meals and snacks to serve to children in CACFP and to their other clients.

K. Questions and Answers

1. Can smoothies be offered to meet the fluid milk, meat/meat alternate, vegetable, fruit, and grain components?

Milk and fruit can be credited in smoothies prepared by Program operators to meet meal pattern requirements for any meal served under Child Nutrition Programs. Vegetables cannot be credited in a smoothie. Grains and meat/meat alternates (including yogurt) may not be credited when served as a beverage [CACFP 17-2012, *Smoothies Offered in Child Nutrition Programs,* July 11, 2012].

2. Is lactose-reduced milk creditable?

Lactose reduced milk may be served if it meets State and local standards for fluid milk.

3. **To what degree can home canned foods be used in CACFP centers?**

   The *Food Buying Guide for Child Nutrition Programs* prohibits the use of home canned foods in all Child Nutrition Programs.

4. **If the first ingredient in a cereal is listed as "flour," is the cereal creditable for the CACFP**?

   The flour must be listed as enriched, fortified, or whole grain to be creditable.

5. **Is a doctor's statement required to serve goat's milk as part of a reimbursable meal?**

   In the 2013 Crediting Handbook for the CACFP, page 15, goat's milk does not require a special diet statement or doctor's note for children 1 year and older. Goat's milk must be pasteurized and meet State and local standards. If goat's milk is served to children less than one year of age as a substitute for breastmilk or infant formula, a special diet statement is required.

6. **During the school year, Center A purchases meals from a school food authority through an allowable non-competitive agreement. However, during the summer, Center A has no kitchen and needs to purchase meals from Center B. Must Center A competitively procure these meals from Center B and must there be a contract in place for these meals?**

   In all scenarios, a contractor agreement must be in place prior to the vending of meals.

   During the summer:

   - If Center A and B are public centers, follow 7 CFR 3016.36.
   - If Center A and B are private centers, follow 7 CFR 3019.
   - If Center A is public and Center B is private, Center A follows 3019 and they must competitively procure the meals from Center B.
   - If Center A is private and Center B is public, Center A follows 3016.36. Center A does not need to competitively procure the meals from Center B. However, Center B will need to determine if a material change for the food and supplies required for the meals is created (FSMC, food distributors, if applicable).

7. **A Head Start center participates in the CACFP and contracts with a day care center (located in the same building) to purchase meals. In addition, the Head Start signed an agreement to pay half of the cook's salary which is separate from the contract to furnish meals. Is this allowable? Should the cost of the cook's salary be included in the total cost of the FSMC contract?**

   Refer to the response in Question 6 above. In contracts to furnish meals, it is recommended that all related costs for meals (e.g., labor, food, supplies, etc.) be included in the contract. The costs for the cook's salary are allowable, as long as the costs are attributed to the meals supplied to the center.

8. Can a center directly purchase meals from a school which contracts with a FSMC?

A center may directly purchase meals from a school which contracts with a FSMC only if the IFB included the CACFP meals and any special service needs in addition to the NSLP meals.

9. How should an emergency shelter handle incoming donated and USDA Foods to ensure documentation of receipt of these foods?

It should record the items received by date and the amount (i.e. 7/2/14: 1 case of apples). They may be used for all shelter meals, not only those for children.

10. Are there time limits on special dietary statements?

FNS has not set requirements regarding how long the statements are valid once obtained.

Part 5. Program Payments

A. Claims for Reimbursement

Reimbursement funds are made available to the States from the USDA. To receive reimbursement, participating independent centers must have an agreement with the State agency and must submit claims to that State agency. Claims for reimbursement can only be paid for approved meal types and must report information in accordance with the financial management system established by the State. All records used to support a claim must be retained for three years after the submission date of the final claim for the fiscal year [7 CFR 226.10].

Reimbursement rates are based on a formula established by Congress. Current reimbursement rates can be found at the link in Part 10 of this guidance.

Process for Reimbursement

All independent centers must submit accurate monthly claims for reimbursement to the State agency. These monthly reports are submitted on Claim for Reimbursement forms. Claims for reimbursement should be submitted to the State agency as early as possible following the last day of the month covered by the claim, but must be postmarked no later than 60 days after that date, unless the State agency has established an earlier submission deadline.

In some cases, the center may wish to make adjustments to claims after it has submitted the claim. If the center submitted the claim within the 60-day deadline, it can make upward adjustments to claims anytime within 90 days of the end of the claim month. Downward adjustments may be made at any time [7 CFR 226.10(e)].

In the event that a claim or adjustment is submitted late, at its discretion, the State agency may approve a one-time exception. The independent center must submit the exception request and include information that adequately explains what steps will be taken, and by whom, to prevent the cause of the late claim from reoccurring. The center can receive an exception once every 36 months. Claims submitted late as a result of a disaster are not subject to the exception for late submissions [CACFP-12-2014, *Disaster Response,* May 19, 2014]. State agencies can obtain additional information on 60/90-day guidance through the FNS Regional Office.

If an institution should request additional exceptions during that 36-month period, those requests, if supported by the State agency and if corrective actions are conducted by the institution, can be submitted to the FNS Regional Office for possible approval. The State agency's determination to not send the late claim to the FNS Regional Office is appealable, but the Regional Office's denial is not appealable.

Claim Forms

All claim forms will, at a minimum, require submission of the following information [7 CFR 226.11(b) and (c)]:

- Month and year the meals were served;
- Total number of meals claimed by type (breakfast, lunch, snack, or supper) by eligibility category or, where reimbursement is computed by claiming percentages or blended rates, the total number of meals served by type;

- Number of days of operation;
- Total enrollment;
- Average daily attendance (the result of each day's attendance, totaled, then divided by the number of operating days);
- For for-profit centers, number and percentage of Title XX beneficiaries that month;
- If the State agency elects to reimburse its centers according to the lesser of rates or actual costs, the claim form will also require information on operating costs, administrative costs, and income to the Program (contact your State agency for details on claiming requirements); and
- Certification that the claim is correct, and records are available to support the claim. Additional information for the records needed to support the claim for reimbursement can be found in Part 5 of this guidance.

Processing Claims

The center's claim for reimbursement will be paid within 45 days of the State agency's receipt. If an incomplete or incorrectly completed claim form is submitted, the independent center will be advised within 15 calendar days on how the claim can be corrected. If all, or part, of the claim is disallowed, the center will be advised of the reason and be given an opportunity to appeal the action [7 CFR 226.7(k)].

Reimbursement for For-Profit Centers

A for-profit center can claim and be reimbursed only for meals served in those months when 25 percent of the enrolled children or 25 percent of its licensed capacity, whichever is less, are Title XX beneficiaries or when 25 percent of the enrolled children are eligible for free and reduced-price meal benefits. A for-profit center must include on its claim form the percentage of children who receive Title XX benefits or who are eligible for free or reduced-price meals during each month for which reimbursement is claimed [7 CFR 226.10(c)].

Reimbursement for Food Provided by Parents

The basic premise of the CACFP is to reimburse participating centers for costs associated with providing wholesome, nutritious meals to participants. If costs are not incurred, then reimbursement is not paid. When children bring their own food to the day care center, such meals are not reimbursable. If it is necessary for a parent to furnish a particular food item for medical reasons, such as below, the meal may still be claimed for reimbursement if the center supplies at least one required meal component and maintains required "special needs documentation" on file.

EXAMPLES:

- Infant formulas that do not meet the Food and Drug Administration definition for iron-fortified infant formula;
- A substitute required by an allergic reaction to milk; and

- Rice crackers instead of bread for children with a wheat absorption problem.

In order for a meal to be reimbursable, any food items provided by parents and all substituted food items that do not meet the meal pattern requirements must be fully documented via a statement from a recognized medical authority and all substitutions must be approved (see Part 4. D of this guidance).

A parent may, however, furnish breastmilk or iron-fortified formula for his/her child's reimbursable meal without documentation from a medical authority, and if the infant is not yet eating solid foods, this meal can be claimed for reimbursement even if the parent provides the entire meal [7 CFR 226.20(b)].

Meals that May Not be Claimed

- Meals served to any child who is not enrolled for care in the center
- Meals served in excess of the licensed or authorized capacity of each center
- Meal types not approved in the center's agreement with the State agency
- Meals served that are in excess of the two meals and a snack (or one meal and two snacks) claimed daily for each enrolled child
- Meals that do not meet the meal pattern requirements

B. Computing Reimbursement

Regulations provide three methods for computing reimbursement, one of which will be assigned by the State agency at least annually:

- Claiming percentages;
- Blended per meal rate; or
- Total monthly counts of the actual number of meals by type served each day to children eligible for free, reduced-price, or paid meals.

The claiming percentages and blended per-meal rate methods for computing reimbursement are intended to simplify the task of developing and preparing the monthly claim for reimbursement. By using either of these methods, daily meal counts by type do not have to be maintained for each income category (free, reduced-price, and paid) after the initial percentages have been determined. It is only necessary to keep count of total meals served by meal type (breakfast, lunch, supper, or snack) [7 CFR 226.11(c) and (c)(5)(ii) and (iii)].

As noted above, the regulations require that claiming percentages and blended per meal rates be established not less frequently than annually. Requiring centers to re-evaluate the percentage or blended rate each month generates unnecessary paperwork. Allowing an annually determined claiming percentage or an annually determined blended rate for centers

reduces the paperwork burden. In certain serious deficiency cases, however, a monthly reporting requirement could be an appropriate component of a corrective action plan [CACFP [CACFP 15-2013, *Existing Flexibilities in the Child and Adult Care Food Program,* July 26, 2013].

National Average Payment Rates of reimbursement for meals served, annually adjusted to reflect Consumer Price Index changes, are announced every July 1. The State agency will notify participating independent centers of changes in the rates.

In the following computation examples, the given reimbursement rates are for school year 2013/2014 and should be viewed only as guides. The currently applicable reimbursement rates should be substituted when computing a center's potential reimbursement.

Note: In any case, when computing number of meals or numbers of children, regular rounding rules do not apply. Figures must be rounded up to the next whole number.

Claiming Percentages

When reimbursement is calculated on the basis of claiming percentages, the following general formula is used.

Claiming Percentages - Formula

Number eligible for free OR reduced-price OR paid meals
÷
Total enrollment
=
Claiming percentage for that category
X
Total number of meals (breakfast, lunch, supper, or snack) by type, served during the month
X
Free OR reduced-price OR paid meal reimbursement rate

Below is a step-by-step example of how to calculate a claim for reimbursement (lunches in this case) using the claiming percentage method of reimbursement.

EXAMPLE:

50 children are enrolled in a center:
30 are eligible for the free reimbursement rate;
5 are eligible for the reduced-price reimbursement rate; and
15 are eligible for the paid reimbursement rate.
1000 lunches are served during the month.

Step #1

Compute claiming percentage for each eligibility category.

30 free ÷ 50 enrolled = 60 percent of total enrollment
5 reduced-price ÷ 50 enrolled = 10 percent of total enrollment
15 paid ÷ 50 enrolled = 30 percent of total enrollment

Step #2

Percentages (60 percent free, 10 percent reduced-price, 30 percent paid) are converted to decimals (.60, .10, .30), then multiplied by the total number of lunches served during the claim month (1000).

1000 x .60 = 600 free meals
1000 x .10 = 100 reduced-price meals
1000 x .30 = 300 paid meals

Step #3

Meals are multiplied by the currently appropriate rates
(free = $2.93, reduced-price = $2.53, paid = $.28)
600 free meals x $ 2.93 = $ 1758.00
100 reduced-price meals x $ 2.53 = $ 253.00
300 paid meals x $0.28 = $84.00

Step #4

The totals are added together to obtain the center's total claim for reimbursement for lunches served during that month.

$ 1758.00 for free lunches served
  253.00 for reduced-price lunches served
+ 84.00 for paid lunches served
$2095.00 = maximum potential reimbursement for lunches

Blended Rate

The blended per meal rate is a method of calculating an average rate of reimbursement by meal type. This average rate is multiplied by the total number of meals served in that meal type.

Below is the general formula and a step-by-step example of how to calculate a claim for reimbursement (lunches in this case) using the blended rate method of reimbursement.

Blended Rate Formulae:

# of free meals ÷ total enrollment = claiming %free X free rate of reimbursement = **revised** free rate.

# of reduced-price ÷ total enrollment= claiming %reduced X reduced rate of reimbursement = **revised** reduced-price rate.

# of paid meals ÷ total enrollment = claiming %paid X paid rate of reimbursement – **revised** paid rate.

EXAMPLE:

50 children are enrolled in a center.
30 are eligible for the free reimbursement rate;
5 are eligible for the reduced-price reimbursement rate; and
15 are eligible for the paid reimbursement rate
1000 lunches are served during the month.

Step #1

Compute claiming percentage first:

30 free ÷ 50 enrollment = 60 percent or .60
5 reduced-price ÷ 50 enrollment = 10 percent or .10
15 paid ÷ 50 enrollment = 30 percent or .30

Step #2

Multiply the claiming percentages times the current lunch reimbursement rates for each eligibility category. This gives a revised rate for each category:

	Free		Reduced-price		Paid
Claiming percentage	.60		.10		.30
Current rate	x $2.93	x	$2.53	x	$ .28
Revised rate	$1.76		$ .25		$ .08

Step #3

Add these revised rates together. This will give you the blended rate for computing reimbursement for lunches.

$1.75	=	Revised free rate
.25	=	Revised reduced rate
.08	=	Revised paid rate
$2.08	=	Blended rate

Step #4

Multiply the total number of lunches served during the claim month times the blended rate.

Lunches served		Blended rate		Maximum potential reimbursement for lunches
1000	x	$2.08	=	$2080

Actual Meal Count by Eligibility Category

When reimbursement is computed on the basis of the actual number of meals (by type) served to enrolled children who are eligible for free, reduced-price, and paid meals, the following formula is used.

Actual Meals – Formula

# of meals (by type) served to free eligible
X
Rate for free meals
+
# of meals (by type) served to reduced-price eligible
X
Rate for reduced-price meals
+
# of meals (by type) served to paid eligible
X
Rate for paid meals
=
Maximum potential reimbursement (by meal type)

EXAMPLE:

A center served 1000 **lunches** during the course of a month; 600 were claimed in the free category, 100 reduced-price, and 300 paid. Using the formula, the computation for potential lunch reimbursement would be as follows.

Number of lunches served to children in the free category during the month times the rate for free lunches = Total free reimbursement: 600 x $2.93 = $1758.00 (+)

Number of lunches served to children in the reduced-price category during the month times the rate for reduced-price lunches = Total reduced-price reimbursement: 100 x $2.53 = $253.00 (+)

Number of lunches served to children in the paid category during the month times the rate for paid lunches = Total paid reimbursement: 300 x $.28 = $84.00 (+)

Maximum potential lunch reimbursement – free, reduced, and paid: $1758.00 + $253.00 + $84.00 = $2095.00

See Attachment B in Part 11 of this guidance for a sample Meal Count Record Form.

Advance Payments

Payment of advance funds to CACFP centers is a State agency option. If the State agency makes advance payments available, it will do so on the first of each month for expenses to be incurred during the rest of that month. Centers may choose to receive all or part of the advance for which they are eligible or they may choose not to receive any advance payments. The State agency will estimate the amount for which new centers are eligible,

Offering Advances

State agencies have the authority to offer monthly advance funds, or not.

and the amount of the first advance payment each fiscal year for all other centers, based on information such as enrollment figures and prior year reimbursement claims.

When the center submits its claim for reimbursement (which should be shortly following the end of the claim month) the State agency will compare it to the amount that the center has received in its advance payment. If the center is receiving more or less money in its monthly advances than the amount of the claim for reimbursement, the State agency will adjust the amount of subsequent advance payments to more closely reflect the center's monthly reimbursement or demand full repayment (and offer appeal rights for this action).

When it is questionable whether the center will be able to submit a valid claim for reimbursement for any month, the State agency may choose to deny the center's advance funds for that month. Also, if the center is habitually slow in meeting claims deadlines, the State agency may choose to discontinue the center's advances. The State agency will provide written reasons for withholding an advance payment and guidance to appeal the decision through the State's fair hearing procedure [7 CFR 226.10(a) and (b)].

C. Other Federal Funding

Meal service funds may also be available to independent centers participating in the CACFP from other Federal sources. For instance, HHS provides some funding for meal service costs as a budget line item to Head Start grantees. Also, both appropriated and non-appropriated military funds are made available under Department of Defense (DOD) rules for meal costs in child care facilities on military installations. CACFP funding must be used first to cover food service costs. When participating centers claim and receive CACFP reimbursement for meals, funding from HHS, DOD, or similar Federal sources can be used to cover those meal service costs that are not funded by the USDA.

D. Questions & Answers:

1. **Are there any circumstances under which a center may receive more than one late claim exception within a three-year period?**

   The State agency may ask the FNS Regional Office to grant an exception if: 1) the center has justification for another request and supports the request with written corrective action; and 2) the State agency believes that the cause for an additional exception is reasonable.

   Additionally, claims submitted late as a result of a disaster are not subject to the exception for late submissions restrictions [CACFP-12-2014, *Disaster Response,* May 19, 2014].

2. **If a parent requires their toddler to receive breastmilk, is the meal reimbursable?**

   Breastmilk meets the requirement of a milk substitute and can be served to children over the age of 12 months. The center must provide the other required meal components for the meal to be reimbursable.

3. **If a parent provides one or two food components due to the child's religious background, and the center provides the remaining components, is the meal reimbursable?**

   Although substitutions for religious reasons are permitted by 7 CFR 226.20(i), those substitutions must be provided by the center in order for the meal to be reimbursable. See the FNS Instruction 783-13, Revision 3 *Variations in Meal Requirements for Religious Reasons: Jewish Schools, Institutions and Sponsors.*

4. **Can a center be reimbursed for a meal if the parent provides one of the meal components and the child does not have a medical statement?**

   The center can only claim meals when the component supplied by a parent is supported by a medical statement.

   Exceptions

   - CACFP 21-2011, Revised-*Child Nutrition Reauthorization 2010: Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions in the Child and Adult Care Food Program, Questions and Answers,* September 15, 2011

     This policy memorandum indicates a parent can request, in writing, a substitution for fluid milk without a medical statement. Additionally, Question and Answer #1 of the Policy indicates a parent can provide a creditable non-dairy milk substitute; the center may serve it and receive reimbursement for the meal.

   - 7 CFR 226.20(b)

     This regulation allows a parent to supply breastmilk and for the meal to be reimbursable when the infant is taking only breastmilk and not solid foods.

5. **Can a center be reimbursed for a staff member breastfeeding her own infant?**

   A center may claim the meal provided to a breastfed infant when provided by the staff member who nurses her own infant. The infant must be enrolled for care, and the meal would be claimed in the mother's (center staff member) eligibility category. .

Part 6. Recordkeeping

Maintaining accurate records is vital to making sure CACFP reimbursement accurately reflects the center's Program operations. This section provides information about the types of records that must be kept to justify the reimbursement claim and suggestions on managing this portion of the Program. The State agency can provide help in answering any questions about the required records or about systems for collecting and maintaining these records.

Sign-in/Sign-out Forms

If the State agency or licensing agency requires the use of sign-in/sign-out forms, also called time-in/time-out forms, which record the time-in-attendance for each child at the center and are signed by the parent, then enrollment forms are not required to include the child's normal days and hours in care [CACFP 02-2005 *Collection of Required Enrollment Information by Child Care Centers and Day Care Homes*, March 11, 2005].

A. Record Retention

An efficient recordkeeping system that supports all payments received under the Program must be maintained, and all allowable costs in support of the center's nonprofit food service must be documented. An orderly system for collecting and filing records is essential and will save time each month when the claim for reimbursement is completed. In addition, all records should be readily available upon request for review or audit by the State agency and representatives of the USDA. The State agency can provide guidance and suggestions to centers on the maintenance of records.

Records must be maintained for a minimum of three years after the end of the fiscal year to which they pertain, or until any audits or investigations of that year's records have been closed [7 CFR 226.10(d)]. Records of past corrections of serious deficiencies should also be kept and referenced to assist the center in maintaining the systems it was approved to employ.

> **EXAMPLE:** Records related to reimbursement and costs during Federal fiscal year 2014 (October 1, 2013 through September 30, 2014) must be kept until October 1, 2018. Fiscal year 2014 records may be disposed of in October 2018 only if there are no unresolved audit findings or the center's Program is not under investigation.

B. Meal Service Records

Independent centers must keep daily records of meal counts, menus, and enrollee attendance to support their claims for reimbursement. A description of what each of these records must contain is discussed below.

Meal Count Records

Daily counts of the number of meals served to enrolled children, taken at the time of service, must be recorded and maintained by all participating centers. When the "actual monthly counts" claiming method is assigned to the center, its records must contain the number of meals served to enrolled children by each meal type and by income eligibility categories. See Attachment B. in Part 11 for a sample *Meal Count Record* form.

For centers that are assigned the "claiming percentages" or "blended rates" computation method, only the total number of meals served by type (breakfast, lunch, supper or snack) must be recorded daily on a more simplified form.

Daily counts of meals served to "Program adults" working in the center's food service and to any other non-enrolled persons must also be recorded. Although not claimed for reimbursement, costs of these meals are part of food costs reported by the center [7 CFR 226.7(m)(2)].

Emergency shelters must be able to accurately document the number of meals served to eligible children in CACFP. To justify its claims for CACFP reimbursement, the shelter must, at a minimum, maintain a roster of children receiving meals, total meal counts by type, and menus for infant meals and meals served to children, each day.

Daily Menu Records

Daily records of menus must contain a listing of the food items served in each meal type to ensure that the requirements of the CACFP meal patterns were met [7 CFR 226.24(a); 226.15(e)(10)]. *The Menu Magic for Children* guide provides guidance and tips on menu planning, including sample menus. The Planning Cycle Menus lesson in the *Care Connection Child Care Lessons* developed by the National Food Service Management Institute includes a sample menu template. Links are included in Part 10 of this guidance.

Child care centers and day care homes serving infants must offer meals that include breastmilk or an infant formula that meets CACFP requirements [7 CFR 226.20(b)]. In most child care facilities, if a parent declines the formula that is offered, the parent may provide a different brand or type of formula. In some States, child care facilities are required to complete a separate State form documenting the parent's decision. However, a simpler method of documentation, such as a notation on either a meal roster or a list of participating children, would be sufficient and would reduce paperwork. Additionally, documentation is unnecessary in Head Start programs, because Head Start policy requires the grantee to purchase the type of formula that accommodates each infant's nutritional needs and feeding preferences.

C. Participant Records

Daily Attendance Records

Accurate daily attendance records of all enrollees must be recorded separately from the center's meal count records although they may be maintained on the same form [7 CFR 226.15(e)(2) and (4)].

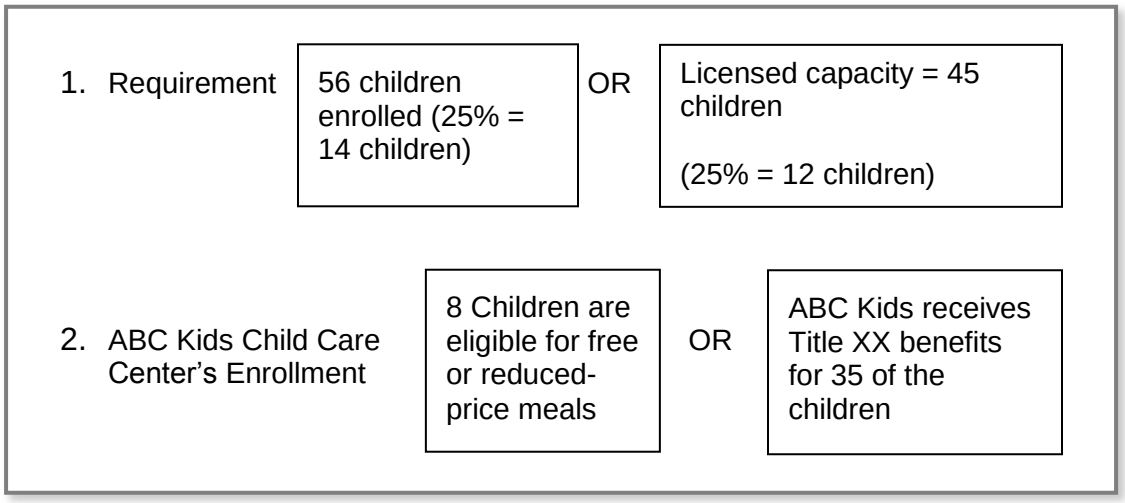
Enrollment Records

Enrollment documentation of each child in care is required to be on file with all child care centers, with the exception of at-risk afterschool care centers, OSHCC, and emergency shelters. The enrollment form must be updated annually, signed by a parent or legal guardian, and include the child's normal days and hours in care as well as the meals normally received. A confidential enrollment roster listing the name and eligibility status of each enrolled child should be maintained and kept current.

However, there is no Federal requirement that a center must use a specific CACFP enrollment form to record this information. State agencies are discouraged from requiring a specific form to document enrollment for the purposes of CACFP. Instead, State agencies are encouraged to accept other types of forms that centers may already use in order to capture the required information [CACFP 15-2013, *Existing Flexibilities in the Child and Adult Care Food Program,* July 26, 2013].

In addition, all proprietary Title XX centers must keep records for each month Program reimbursement was claimed, documenting that at least *25* percent of the enrollees or *25* percent of their licensed capacity, whichever was less, were Title XX beneficiaries [7 CFR 226.15(e)(3); 226.17(b)(4)].

EXAMPLE:



In this example, 56 children are enrolled and 25 percent of 56 equals 14 children. And, 25 percent of the licensed capacity of 45 children is 12. The lessor of these two requirements is met by the number 12. So, for this for-profit center to be eligible to participate in the CACFP this month, and claim the meals it serves, it must have at least 12 children who are eligible for free or reduced-price meals or who are receiving Title XX benefits.

This center does not meet the requirement based on the number of children eligible for F/R meals because there are only eight eligible children, but the center is eligible based on Title XX benefits. This means that the center is an eligible CACFP center this month. It may submit a claim based on each child's free or reduced-price or paid category. For meal claiming purposes, the claim will include eight children in those free or reduced-price categories and the rest of the children will be reimbursed at the paid rate.

Eligibility Records

Centers claiming free and reduced-price reimbursement must annually obtain and keep on file approved income eligibility statements for children determined to meet the free and reduced-price eligibility guidelines. See additional details regarding income eligibility statements and eligibility determinations under Part 3 of this guidance [7 CFR 226.23(e)(1)]. Emergency shelters and at-risk afterschool care centers are exempt from the requirement of obtaining income eligibility statements from households.

Meal Service Records and Participant Records for Emergency Shelters

The State agency will prescribe meal counting and recordkeeping systems for meals served to eligible children and infants in emergency shelters. As with all CACFP centers, shelters must keep records that are adequate to determine the nonprofit status of the food service and proper utilization of CACFP funds. At a minimum, the shelter must maintain a daily roster of children

receiving meals, total meal counts by type, and menus for infant meals and meals served to children [CACFP 05-1999, *Participation of Emergency Shelters Serving Homeless Children*, March 30, 1999].

D. Records Pertaining to Fiscal Management

Independent centers must document income to the Program from all sources and maintain copies of all submitted claims for reimbursement, as well as receipts for all Program payments received from the State agency. In addition, all independent centers must keep accurate records of their operating and administrative costs to document the nonprofit status of their food service.

In addition to the guidance in this section, the State agency can provide detailed assistance based on the cost standards, principles, and guidelines contained in the *Guidance for Management Plans and Budgets CACFP Handbook*, FNS Instruction 796-2, Rev. 4 *Financial Management in the Child and Adult Care Food Program*, and *7* CFR 226.15(e)(6)-(8)*.* The National Food Service Management Institute offers an online training (Financial Management #3) on how to use financial information as a tool to improve Program operations and accountability, determining labor cost factors and food cost factors. Budget analysis including using the budget to set goals and using the budget as a control document is covered. The link to a list of trainings offered by the Institute is included in Part 10 of this guidance.

Operating Costs

Operating costs are incurred by independent centers for the preparation and service of meals. Allowable operating costs include, but are not limited to:

- Food costs;
- Food service labor costs;
- Costs for certain nonfood supplies; and
- Costs for purchased services.

Record of Food Costs

Food costs are expenditures for the food used in all meals. The cost of the food may include the purchase price and charges for processing, transporting, storing, and handling purchased or donated food, including USDA Foods. These costs must be documented by invoices, receipts, inventory records, and itemized bills.

Food costs are documented by the vendor's invoices for unitized Program meals if purchased under a contract with a FSMC or commercial vendor or under an agreement with a school food authority.

Inventory Records

Many State agencies require the calculation of the "cost of food used" at the end of each month. In this case, monthly food inventory records must be maintained. Part 10 of this guidance includes a link to the National Food Service Management Institute *Inventory Management Workbook* and the *FNS Instruction 796-2, Rev. 4 (Exhibit G, Suggested Format for Inventory Reconciliation and Exhibit H, Suggested Format for Inventory Record)*. While geared for small

school food service systems, these resources provide valuable information that can be used by child care centers in keeping effective inventory systems.

Other State agencies may, however, require an inventory to be taken once a year so centers can make adjustments in the cost of food on an annual basis. In this case, the same procedure as for the monthly inventory would be followed, but only once a year.

Food Service Labor Costs

Independent centers must document the cost of food service labor needed for the operation of the CACFP. This may include wages, salaries, employee benefits, and the share of taxes paid by the independent center necessary to perform the following tasks:

- Menu planning and purchasing;
- Meal preparation, serving, and clean-up of Program meals;
- Supervision of day-to-day food service operations, including supervision of children during the meal service; and
- On-site preparation of daily Program meal service records.

Records that must be maintained include payroll records and time and attendance reports. The value of volunteer labor may not be used to support Program costs under this or any other cost category. For part-time food service staff, the cost of labor must be prorated so that CACFP costs are supported by work performed only in the center's food service. In addition, when a portion of a food service employee's salary is paid with funds from another government or private source, accurate records must be maintained to ensure that the same costs are not charged to both sources. The center must seek State agency approval before any claim involving prorated food service labor costs can be paid.

Costs of Nonfood Supplies

Nonfood supplies include small kitchen equipment, paper goods, such as napkins and plates, and cleaning supplies used directly for the food service operation. Itemized receipts or invoices must be kept on file as documentation. State agencies may require a monthly or yearly inventory of these supplies.

Cost of Purchased Services

Purchased services are items such as utilities, equipment rental, rental of facilities, and minor repairs. The costs for all food service related rental and repair expenses must be documented. Costs for shared purchased services such as utilities, water, and gas must be prorated and documented. The State agency will provide assistance on what records are needed to support these costs.

Administrative Costs

Administrative costs are costs incurred in planning, organizing, and managing the foodservice operation under the CACFP. Administrative cost categories include the cost of clerical and office labor, supplies, monitoring labor, and mileage.

Administrative Labor Costs - Labor costs include compensation paid for labor needed for:

- Planning, organizing, and managing the food service operation;
- Completing CACFP application materials;
- Compiling daily records to complete the monthly consolidated reimbursement claim;
- Training; and
- Preparing the monthly reimbursement claim.

The costs of administrative labor must be documented. Records that must be maintained include payroll records and employees' time and attendance reports. The value of volunteer labor may not be claimed under this or any other category of total Program costs.

The labor costs of administrative staff that work part-time on Program administrative duties must be prorated so that only CACFP administrative labor is claimed for reimbursement. Accurate records must be maintained to ensure that payment is not duplicated through CACFP reimbursement if a portion of an administrative staff member's salary is paid through another source of funding. In such cases, the center must seek State agency approval in advance.

Administrative Supplies - Costs incurred for supplies used to administer the CACFP may include:

- Cost of printing or reproducing materials that are used for the food service and providing nutrition education to food service staff;
- Office supplies;
- Telephone calls; and
- Postage necessary for the center's food service operations.

Itemized receipts, invoices, and other records must be kept to document these costs. State agencies may require either a monthly or yearly inventory of administrative supplies [FNS Instruction 796-2, Rev. 4 (VII)(D)].

E. Training Requirements and Records

Records of a center’s annual or more frequent Program training sessions for their front line and key staff, as defined by the State agency, must be maintained. These records must include dates, locations, CACFP topics discussed, and names of center personnel in attendance. The required content of the trainings is established by the State agency [7 CFR 226.15(e)(12); 226.17(b)(10)].

F. State Agency Records Options

The State agency may require additional records other than the ones that are included in this chapter [7 CFR 226.15(e)(6) and (10)]. For example, the State agency may require centers using onsite preparation to keep daily meal production records in addition to their daily meal counts, menu, and attendance records. A meal production record is a written record of the

quantity of food prepared for each menu item served and the amount or number of servings left over.

The maintenance of production records is not a Federal requirement and is frequently cited by institutions as an administrative burden. Simpler methods of documentation, such as using portion menus and keeping receipts for verification of component types and quantities, are consistent with CACFP regulations and may reduce burden for institutions. A thorough review of menus, invoices, and receipts should allow the State agency to monitor that meal pattern requirements are met on the day of the review and during the selected review period [CACFP 15-2013, *Existing Flexibilities in the Child and Adult Care Food Program,* July 26, 2013].

If meal production records are required, a suggested meal production record with instructions is included as Appendix A in the *Building Blocks for Fun and Healthy Meals* guide. A resource for determining food amounts to meet required minimums can be found in *The Food Buying Guide for Child Nutrition Programs*. Links for these resources are included in Part 10 of this guidance.

G. Questions and Answers

1. Can sign-in/sign-out records be substituted for hours and days in care on enrollment forms and subsequently used to do the five-day reconciliation of records?

Yes, and these other conditions apply:

1) The sign-in sheet captures the time the children arrive at and depart from the child care center; and

2) Each day, the sign-in and sign-out times are signed or initialed by a parent or guardian.

2. Typically, emergency shelters serve meals to everyone. How should an emergency shelter participating in the CACFP document nonprofit food service?

It is the State agency's discretion to determine what is reasonable for determining nonprofit food status and will develop its own requirements. Emergency shelters must keep records that are adequate to determine the nonprofit status of the food service. The shelter should maintain a daily roster of children receiving meals, total meal counts by type, and menus for infant meals and meals served to children.

3. How does a shelter certify that a child is eligible for free meals and snacks?

Children who reside in emergency shelters are automatically eligible for free meals and snacks without further application. The shelter must certify that each child served is a resident of an emergency shelter. The easiest way to document a child's eligibility may be for the shelter director to maintain a list of eligible children that includes each child's name, date of birth, and period of residency.

Part 7. State Agency Monitoring Requirements

Monitoring includes the State agency's processes of visiting, reviewing, and evaluating centers' operation of the CACFP. State agencies must provide technical assistance and supervisory oversight to independent centers to ensure effective Program operation, monitor progress towards achieving Program goals, and ensure that there is no discrimination in the Program. This assures that participants receive nutritious meals and that institutions receive proper financial reimbursement.

A. State Agency Monitoring Requirements

Onsite and desk review of independent centers' operations and records allows the State agency to evaluate Program integrity. Once every three years, State agencies must assess each institution's compliance with the requirements related to:

- Recordkeeping;
- Meal counts;
- Administrative costs (for centers reimbursed on actual costs);
- Any applicable guidance issued by FNS, USDA, or the State;
- Observation of a meal service; and
- All other Program requirements.

Income Eligibility Forms

The State agency must verify the accuracy of the institution's determination of each child's free, reduced-price, or paid category for claiming meals. For nonpricing Programs, the State agency must review 100 percent of the free, reduced-price, and denied income eligibility applications to ensure their accuracy. Generally, this is conducted as part of the State agency's Program review of the institution's entire Program operation.

For pricing programs (programs that charge a separate fee for meals), verification of applications must be conducted annually. In addition to reviewing the applications for accuracy, State agencies also must verify the reported information for no less than three percent of all approved applications on file.

- To verify the information, the State agency must contact the households to obtain source documentation to support the reported income.

If the application contains a SNAP, FDPIR, or TANF case number for a child or a SNAP, FDPIR, SSI, or Medicaid number for an adult participant, the verification shall consist only of a confirmation that the child or adult is certified eligible for the relevant program. Otherwise, households must be informed in writing that they have been selected for verification and that they are required to submit documentation to verify their eligibility for free or reduced-price meals. This letter must include the types of documentation that the State agency has deemed to be sufficient for the purposes of verification. This letter also must inform households that, in lieu of income information, they may submit documentation showing they are certified to participate in SNAP, FDPIR, or TANF for enrolled children or SNAP, FDPIR, SSI, or Medicaid for enrolled adults.

The State agency may conduct additional verification of the information submitted on the eligibility application for non-pricing programs. If the State agency chooses to conduct this additional verification for non-pricing programs, it must do so in accordance with the procedure outlined above.

For more information concerning what is considered to be acceptable verification documentation, consult 7 CFR 226.23(h)(2)(v) and see the Income Eligibility Handbook for School Meals for more information on the verification process for pricing Programs.

Civil Rights

Independent centers also must comply with the following civil rights laws and compliance will be monitored by the State agency:

- Title VI of the Civil Rights Act of 1964,
- Title IX of the Education amendments of 1972,
- Section 504 of the Rehabilitation Act of 1973,
- The Age Discrimination Act of 1975 and
- The USDA's regulations concerning nondiscrimination.

See Part 3 D. in the *Monitoring Handbook for State Agencies CACFP Handbook* for details on compliance requirements for institutions.

Review Elements

State agency monitors must:

- Determine whether a center has corrected problems noted on prior reviews;
- Include a reconciliation of the center's meal counts with enrollment and attendance records for a five day period; and
- Include an assessment of the center's compliance with Program requirements related to:
    - The meal pattern;
    - Licensing or approval;
    - Attendance at annual training;
    - Meal counts; and
    - Menu and meal records.

Follow-up Reviews

If, during a center review, the State agency finds one or more serious deficiencies, that center's next review must be unannounced and the State agency must initiate the serious deficiency process.

Health and Safety

If the State agency or FNS finds that a center's conduct or conditions pose a threat to the health or safety of participating children or the public, the reviewer must immediately notify the appropriate State or local licensing or health authorities and take action that is consistent with the recommendations and requirements of those authorities [7 CFR 226.6(c)(5)(i)]. If the licensing or health authorities discover a problem and cite the center, CACFP participation must be immediately suspended. Even if the licensing agency does not take immediate action, the State agency should take action to suspend CACFP participation if the monitor identifies conditions that pose an imminent threat to the health/safety of the children or to the public. State agencies should develop internal procedures for identifying such conditions and what actions the monitor should take.

B. Corrective Action

If a participating institution fails to comply with CACFP requirements, the State agency will require the institution to correct its practices and provide training and oversight to staff to ensure it complies. A prototype *Corrective Action Plan* Form is provided as Attachment 2 in Part 11 of this guidance; this can be used by institutions to respond to findings by State agency monitoring reviews.

If meals have been claimed for which there is insufficient documentation, the State agency must take fiscal action and require the institution to pay for those meals from non-Program funds.

C. Serious Deficiencies

If a participating institution has committed one or more serious deficiencies, the institution's executive director and chairman of the board of directors must receive a notice of serious deficiency. The notice must identify responsible principals and individuals (RP/I) and must be sent to those persons as well. The notice will identify the serious deficiencies, require appropriate corrective action(s), and establish the time period(s) for completing the corrective action(s) for the institution and RP/Is.

If one or more serious deficiencies result in disallowance of meals or of administrative expenses, the State must establish an overclaim. To the extent possible and appropriate, the State agency must identify the person or persons responsible for the deficiencies for the purpose of assigning financial responsibility to the RP/I, in addition to the institution. Failure to take corrective action to fully and permanently correct the serious deficiency by the allotted time will result in proposed termination [7 CFR 226.6(c)].

The following actions constitute serious deficiencies in Program management, and the list is not exhaustive.

New institutions

1. Submission of false information on the institution's application, including but not limited to, a determination that the institution's RP/Is have concealed a conviction for any activity that occurred during the past seven years and that indicates a lack of business integrity. A lack of business integrity includes deception, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity as defined by the State agency; or

2. Any other action affecting the institution's ability to administer the Program in accordance with Program requirements [7 CFR 226.6(c)(1)].

See the items listed under in Part 7. C of this guidance for the additional serious deficiencies that centers, once participating, must be careful to avoid.

Institutions at application renewal

1. Submission of false information on the institution's application, including but not limited to, a determination that the institution has concealed a conviction for any activity that occurred during the past seven years and that indicates a lack of business integrity. A lack of business integrity includes deception, antitrust violations, embezzlement, theft, forgery, bribery, fraud or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity as defined by the State agency;

2. Failure to operate the Program in conformance with the performance standards set forth in 7 CFR 226.6(b)(1)(xviii) and (b)(2)(vii);

3. Failure to comply with the bid procedures and contract requirements of applicable Federal procurement regulations;

4. Use of a food service management company that is in violation of health codes;

5. Failure to perform any of the other financial and administrative responsibilities required by this part; or

6. Any other action affecting the institution's ability to administer the Program in accordance with Program requirements [7 CFR 226.6(c)(2)].

Participating institutions

1. Submission of false information on the institution's application, including but not limited to a determination that the institution's RP/Is have concealed a conviction for any activity that occurred during the past seven years and that indicates a lack of business integrity. A lack of business integrity includes deception, antitrust violations, embezzlement, theft, forgery, bribery, fraud or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity as defined by the State agency;

2. Permitting an individual who is on the NDL to serve in a principal capacity with the institution;

3. Failure to operate the Program in conformance with the performance standards set forth in paragraphs 7 CFR 226.6(b)(1)(xviii) and (b)(2)(vii);

4. Failure to comply with the bid procedures and contract requirements of applicable Federal procurement regulations;

5. Failure to return to the State agency any advance payments that exceeded the amount earned for serving eligible meals, or failure to return disallowed start-up or expansion payments;

6. Failure to maintain adequate records;

7. Failure to adjust meal orders to conform to variations in the number of participants;

8. Claiming reimbursement for meals not served to participants;

9. Claiming reimbursement for a significant number of meals that do not meet Program requirements;

10. Use of a FSMC that is in violation of health codes;

11. Claiming reimbursement for meals served by a for-profit child care center or a for-profit OSHCC during a calendar month in which less than 25 percent of the children (enrolled or licensed capacity, whichever is less) were eligible for free or reduced-price meals or were Title XX beneficiaries;

12. Failure to perform any of the other financial and administrative responsibilities required by this part;

13. Ineligibility of the institution or any of the institution's principals for any other publicly funded Program by reason of violating that Program's requirements. However, this prohibition does not apply if the institution or the principal has been fully reinstated in, or is now eligible to participate in, that Program, including the payment of any debts owed;

14. Conviction of any of in institution's principals for any activity that occurred during the past seven years and that indicates a lack of business integrity. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other activity indicating a lack of business integrity as defined by the State agency; or

15. Any other action affecting the institution's ability to administer the Program in accordance with Program requirements [7 CFR 226.6(c)(3)(ii)(U)].

D. Serious Deficiency Process

The serious deficiency process offers a systematic way for State agencies 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 center and RP/Is from Program participation.

The serious deficiency process has six steps that start when a State agency identifies a deficiency. The resolution will be either the correction of the problem and the issuance of a temporary deferment of the serious deficiency, or the institution's termination and disqualification from the Program.

The six steps in the serious deficiency process are:

1. Identify the serious deficiencies;

2. Issue a notice of serious deficiency;

3. Receive and assess the institution's written corrective action plan (CAP) for adequacy;

4. Issue a notice of temporary deferral of the serious deficiency if the CAP is approved, or issue a notice of proposed termination and disqualification, including appeal procedures, if the CAP is not adequate (or if no CAP plan is received);

5. Provide an appeal review/hearing, if requested, of the proposed termination and disqualification; and

6. Issue a notice of final termination and disqualification if the appeal is upheld or if the timeframe for requesting an appeal has passed, or issue a notice of temporary deferral if the appeal is overturned.

For more details regarding the serious deficiency process, refer to Attachment A in Part 11 of this guidance and the *Serious Deficiency, Suspension, and Appeals for State Agencies and Sponsoring Organizations CACFP Handbook*.

E. Appeals

An institution may appeal adverse action taken by the State agency by requesting an administrative review within 15 days of receiving the State agency's written notice of adverse action. A hearing is then held by the administrative review official, and the official must inform the State agency, the institution's executive director, and the chairman of the board of directors, and the RP/Is, of the administrative review's outcome within 60 days of the State agency's receipt of the request for an administrative review [7 CFR 226.6(k)].

States will use guidance in the *Monitoring Handbook for State Agencies CACFP Handbook* and the *Serious Deficiency, Suspension, and Appeals for State Agencies and Sponsoring Organizations CACFP Handbook* for addressing compliance issues in institution operations.

Part 9. Acronyms

CACFP - Child and Adult Care Food Program

CAP – Corrective Action Plan

CIL – Cash-in-lieu (of USDA Foods)

CCFP - Child Care Food Program

CFR - Code of Federal Regulations

DOD - U.S. Department of Defense

FDPIR - Food Distribution Program on Indian Reservations

FNS - Food and Nutrition Service

FSMC - Food Service Management Company

HHS - Department of Health and Human Services

IFB - Invitation for Bid

IRC - Internal Revenue Code

IRS – Internal Revenue Service

LEA – Local Education Agency

NDL – National Disqualified List

NSLP - National School Lunch Program

OSHCC – Outside School Hours Care Center

RP/I – Responsible Principal or Individual

SBP – School Breakfast Program

SFSP - Summer Food Service Program

SFSPFC - Special Food Service Program for Children

SNAP - Supplemental Nutrition Assistance Program

SSN - Social Security Number

TANF - Temporary Assistance to Needy Families

USDA - United States Department of Agriculture

Definitions for terms used in this handbook can be found at 7 CFR 226.2 *Definitions*.

Part 10. References and Resources

A. FNS Policy Memorandum Relating to Independent Child Care Centers in the CACFP
http://www.fns.usda.gov/cacfp/policy

May 19, 2014	CACFP 12-2014 Disaster Response http://www.fns.usda.gov/cacfp/policy/all [Link not available on date of publication]
December 3, 2013	CACFP 06-2014 Effective Date of Free or Reduced Price Meal Eligibility Determinations http://www.fns.usda.gov/sites/default/files/SP11_CACFP06_SFSP11-2014os.pdf
July 26, 2013	CACFP 15-2013 Existing Flexibilities in the Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/CACFP15-2013.pdf
May 17, 2013	CACFP 11-2013 Questions and Answers Regarding the Participation of Head Start Programs in Child Nutrition http://www.fns.usda.gov/sites/default/files/SP40-2013os_0.pdf
January 24, 2013	CACFP 05-2013 Tax Exempt Status for Private Nonprofit Organizations in CACFP and SFSP http://www.fns.usda.gov/sites/default/files/CACFP05_SFSP09-2013.pdf
October 2, 2012	CACFP 01-2013 Federal Small Purchase Threshold Adjustment http://www.fns.usda.gov/sites/default/files/SP01-2013os.pdf
July 24, 2012	CACFP 18-2012 Tribal Participation in the Child and Adult Care Food Program and the Summer Food Service Program http://www.fns.usda.gov/sites/default/files/CACFP18_SFSP14-2012.pdf
July 11, 2012	CACFP 17-2012 Smoothies Offered in Child Nutrition Programs http://www.fns.usda.gov/sites/default/files/SP10_CACFP05_SFSP10-2014os_0.pdf
May 1, 2012	CACFP 15-2012 Health and Safety Standards for Outside-School-Hours Care Centers and At-Risk Afterschool Care Centers http://www.fns.usda.gov/sites/default/files/CACFP15-2012.pdf
August 3, 2011	CACFP 25-2011 Translations for the Free and Reduced-price School Meals Application and Child and Adult Care Food Program Meal Benefit Income Eligibility Form http://www.fns.usda.gov/sites/default/files/SP44_CACFP25_SFSP18-2011_os.pdf

September 15, 2011	CACFP 21-2011 Revised: Child Nutrition Reauthorization 2010: Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions – Questions and Answers http://www.fns.usda.gov/sites/default/files/CACFP-21-2011.pdf
May 11, 2011	CACFP 20-2011 Child Nutrition Reauthorization 2010: Water Availability in the Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/CACFP-20-2011.pdf
April 8, 2011	CACFP 19-2011 Child Nutrition Reauthorization 2010: Child and Adult Care Food Program Applications http://www.fns.usda.gov/sites/default/files/CACFP-19-2011.pdf
February 15, 2011	CACFP 09-2011 Child Nutrition Reauthorization 2010: Privacy Protection and the Use of Social Security Numbers in Child Nutrition Programs http://www.fns.usda.gov/sites/default/files/SP19_CACFP09_SFSP06-2011_os.pdf
April 16, 2011	CACFP 08-2011 Revised Child Nutrition Reauthorization 2010: Categorical Eligibility of Foster Children http://www.fns.usda.gov/sites/default/files/SP17_CACFP08_SFSP05-2011v3os.pdf
January 14, 2011	CACFP 07-2011 Permanent Agreements in the Summer Food Service Program and the Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/CACFP-07-2011.pdf
January 21, 2011	CACFP 01-2011 Revised Eligibility of Expanded Learning Time Programs for Afterschool Snack Service in the National School Lunch Program and the Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/SP04_CACFP01-2011osr.pdf
May 3, 2010	CACFP 11-2010 Questions and Answers on Extending Categorical Eligibility to Additional Children in a Household http://www.fns.usda.gov/sites/default/files/SP_25_CACFP_11_SFSP_10-2010_os.pdf
September 15, 2010	CACFP 03-2010 Second Revision: Exclusion of Military Combat Pay http://www.fns.usda.gov/sites/default/files/CACFP-03-2010R.pdf
August 27, 2009	CACFP 08-2009 Extending Categorical Eligibility to Additional Children in a Household http://www.fns.usda.gov/sites/default/files/SP_38-2009_os.pdf
March 11, 2005	CACFP 02-2005 Collection of Required Enrollment Information by Child Care Centers and Day Care Homes http://www.fns.usda.gov/sites/default/files/2005-03-11.pdf

April 4, 2000	Categorical Eligibility of Pre-Kindergarten Even Start Participants for Free Meal Benefits for Even Start Program Enrollees http://www.fns.usda.gov/sites/default/files/2000-04-04.pdf
March 14, 2000	Participation of Emergency Shelters in the Child and Adult Care Food Program (CACFP) - Questions and Answers http://www.fns.usda.gov/sites/default/files/2000-03-14.pdf
August 1, 1999	Homeless Shelters Receiving USDA Foods in the Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/1999-8-18%280%29.pdf
March 30, 1999	CACFP 05-1999 Participation of Emergency Shelters Serving Homeless Children http://www.fns.usda.gov/sites/default/files/1999-3-30_0.pdf

B. FNS Instructions Relating to Independent Child Care Centers in the CACFP

FNS Instruction 796-2 Rev. 4	Financial Management - Child and Adult Care Food Program http://www.fns.usda.gov/sites/default/files/796-2%20Rev%204.pdf
FNS Instruction 783-9	Family Style Meal Service in the Child and Adult Care Food Program Obtain a copy from the FNS Regional Office
FNS Instruction 783-2	Meal Substitutions for Medical or Other Special Dietary Reasons Obtain a copy from the FNS Regional Office
FNS Instruction 776-4	Rev. 1 *Temporary Emergency Care in the CACFP* Obtain a copy from the FNS Regional Office
FNS Instruction 783-13 Rev. 3	Variations in Meal Requirements for Religious Reasons: Jewish Schools, Institutions and Sponsors Obtain a copy from the FNS Regional Office
FNS Instruction 113-1	Civil Rights Compliance and Enforcement - Nutrition Programs and Activities http://www.fns.usda.gov/sites/default/files/113-1.pdf

C. Resources

At-Risk Afterschool Meals Fact Sheet – Athletic Programs and Afterschool Meals
http://www.fns.usda.gov/sites/default/files/HHFKAfactsheet-athletics.pdf

Building Blocks for Fun and Healthy Meals
http://www.fns.usda.gov/tn/building-blocks-fun-and-healthy-meals

CACFP Meal Patterns
http://www.fns.usda.gov/sites/default/files/blocks2.pdf

Code of Federal Regulations – CACFP related
http://www.fns.usda.gov/sites/default/files/CFR226.pdf

Care Connection Child Care Lessons
http://www.nfsmi.org/ResourceOverview.aspx?ID=199

The Dietary Guidelines for Americans are the cornerstone for Federal nutrition policy and nutrition education activities.
http://www.health.gov/dietaryguidelines/

Eligibility Manual for School Meals
http://www.fns.usda.gov/sites/default/files/EliMan.pdf

Feeding Infants: A Guide for Use in the Child Nutrition Programs
http: //www.fns.usda.gov/tn/Resources/feeding_infants.html

The Food Buying Guide for Child Nutrition Programs
http://www.fns.usda.gov/tn/resources/foodbuyingguide.html

Income Eligibility Guidelines
http://www.fns.usda.gov/cnd/Governance/notices/iegs/IEGs.htm

Inventory Management Workbook
http://www.nfsmi.org/documentlibraryfiles/PDF/20100423114950.pdf

Menu Magic for Children
http://www.fns.usda.gov/tn/menu-magic-children

National Food Service Management Institute
http://nfsmi.org/Templates/TemplateDefault.aspx?qs=cElEPTIzOA==

Reimbursement rates
http://www.fns.usda.gov/cacfp-reimbursement-rates

The Food and Nutrition Information Center
http://fnic.nal.usda.gov/

Translated Meal Eligibility Forms
http://www.fns.usda.gov/school-meals/translated-applications

USDA Foods Website
http://www.fns.usda.gov/fdd/food-distribution-programs

D. FNS CACFP Handbooks
http://www.fns.usda.gov/cacfp/cacfp-handbooks

- Adult Day Care Handbook
- At-Risk Afterschool Meals Handbook
- Crediting Handbook for the CACFP
- Guidance for Management Plans and Budgets
- Monitoring Handbook for State Agencies
- Serious Deficiency, Suspension, and Appeals for State Agencies and Sponsoring Organizations

Part 11. Attachments

Attachment 1. Prototype Technical Assistance Form

Attachment 2. Prototype Corrective Action Form

Attachment 3. Prototype Medical Statement (Developed by the FNS Mid-Atlantic Regional Office)

Chart and Form:

Attachment A. Flow Chart -- Serious Deficiency Process for Institutions and/or Responsible Principal/Individual (RP/I)

Attachment B. Meal Count Record Form

Attachment 1

TECHNICAL ASSISTANCE FORM – Prototype

All or parts of this form can be used as part of technical assistance documentation while leading an institution through Program requirements

INSTITUTION_____

1. Approved Application and agreement package
    - Current license
    - IRS documentation
    - Other documentation

2. Enrollment/Income eligibility forms
    - Current Income eligibility form for each enrolled child
    - Completed enrollment forms that are updated annually
    - Both forms are valid for 12 months and must be signed and dated by a parent or legal guardian

3. Master Enrollment form
    - Lists enrolled children and must correspond with income eligibility forms

4. Attendance Records
    - Must be taken daily
    - Daily and Monthly totals must correspond to children actually in attendance as documented in the Attendance Records

5. Daily meal counts
    - Must be taken at point of service (when participants are actually receiving meals)
    - The State agency must be notified of all field trips away from the independent center during meal service times

6. Menus
    - All meals served must meet USDA meal pattern requirements
    - All menus must be dated daily
    - All meals must correspond with food production records or itemized receipts

7. Documentation of meal service labor and administrative labor

8. Itemized receipts
    - Monthly (food)
    - Monthly non-food expenses (supplies related to food Program)

9. Reimbursement Claims
    - Method (actual, percentage and blended)
    - Deadline for submitting to State agency

10. Food Service Account
    - Must be able to track CACFP monies separate from other funds if a separate account is not used

11. Training
    - Staff must be trained on CACFP requirements at least once a year and documentation of this training must be maintained

12. Civil Rights Compliance

Refer to Part 7 Section A of this handbook.

13. Record Retention

All records must be kept (at a minimum) for three years plus the current year.
Some records must be maintained for longer periods of time or permanently such as: applications and agreements, records related to serious deficiencies, documentation of nonprofit status, etc.

All the above areas have been explained to Institution Representatives - whose signature appears below and the Institution has a workable knowledge of the CACFP rules and regulations

REMARKS:

_____

_____

_____

_____

_____

_____	_____
Technical Assistance State Representative SIGNATURE	Institution Representative SIGNATURE
Date_____	Date_____

Attachment 2 **[State agency]**
Child and Adult Care Food Program (CACFP)
Corrective Action Plan for

Name of institution_____ **Agreement #**_____

Review #_____ **Operational Weakness #**_____

Instructions: A separate corrective plan should be prepared for each operational weakness. It is also better to prepare a separate form for each part of an operational weakness (1a, 1b, etc.), to insure you respond to each issue.

A. **Operational Weakness:** Explain what the institution is doing that is inaccurate.

B. **What and How** (list **what** processes and/or procedures will be implemented to correct the operational weakness and **how** will the institution ensure that the processes and/or procedures are followed consistently in order to prevent future operational weaknesses):

C. **Who (**list all persons, including their titles, involved in correcting the operational weakness and preventing it from recurring in the future**):**

D. **When (**this is the implementation date. When will the procedure for addressing the operational weakness begin? How often will the procedure be done; i.e., daily, weekly, monthly, etc.)

E. **Identify the supporting documentation included with this CAP which verifies corrections were made or will be implemented.** (This might include copies of training documentation, site monitoring reports, attendance records, meal count forms, etc.)

Signature: _____ **Date:**_____

Title: _____

Attachment 3

MEDICAL STATEMENT TO REQUEST SPECIAL MEALS AND/OR ACCOMMODATIONS

1. School/Agency Name	2. Site Name	3. Site Telephone Number

4. Name of Participant	5. Age or Date of Birth

6. Name of Parent or Guardian	7. Telephone Number

8. Check One:

☐ Participant has a disability or a medical condition and *requires* a special meal or accommodation. (Refer to instructions on reverse side of this form.) Schools and agencies participating in federal nutrition programs must comply with requests for special meals and any adaptive equipment. **A licensed physician must sign this form.**

☐ Participant does not have a disability, but is requesting a special meal or accommodation due to food intolerance(s) or other medical reasons. Food preferences are not an appropriate use of this form. Schools and agencies participating in federal nutrition programs are encouraged to accommodate reasonable requests. **A licensed physician, physician's assistant, or nurse practitioner must sign this form.**

☐ Participant does not have a disability, but is requesting a special accommodation for a **fluid milk substitute** that meets the nutrient standards for non-dairy beverages offered as milk substitutes. Food preferences are not an appropriate use of this form. Schools and agencies participating in federal nutrition programs are encouraged to accommodate reasonable requests. **A licensed physician, physician's assistant, nurse practitioner or parent or guardian may sign this form.**

9. Disability or medical condition requiring a special meal or accommodation:

10. If participant has a disability, provide a brief description of participant's major life activity affected by the disability:

11. Diet prescription and/or accommodation: (*please describe in detail to ensure proper implementation-use extra pages as needed*)

12. Foods to be omitted and substitutions: (*please list specific foods to be omitted and suggested substitutions. you may attach a sheet with additional information as needed*)

A. Foods To Be Omitted	B. Suggested Substitutions

13. Indicate texture:

☐ Regular ☐ Chopped ☐ Ground ☐ Pureed

14. Adaptive Equipment:

15. Signature of Preparer*	16. Printed Name	17. Telephone Number	18. Date

19. Signature of Medical Authority*	20. Printed Name	21. Telephone Number	22. Date

*** Physician's signature is required for participants with a disability. For participants without a disability, a licensed physician, physician's assistant, or nurse practitioner must sign the form. Parent/legal guardian signature is acceptable for fluid milk substitution for a child with special medical or dietary needs other than a disability.**

The information on this form should be updated to reflect the current medical and/or nutritional needs of the participant.

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 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.

REQUEST for SPECIAL MEALS AND/OR ACCOMMODATIONS

INSTRUCTIONS

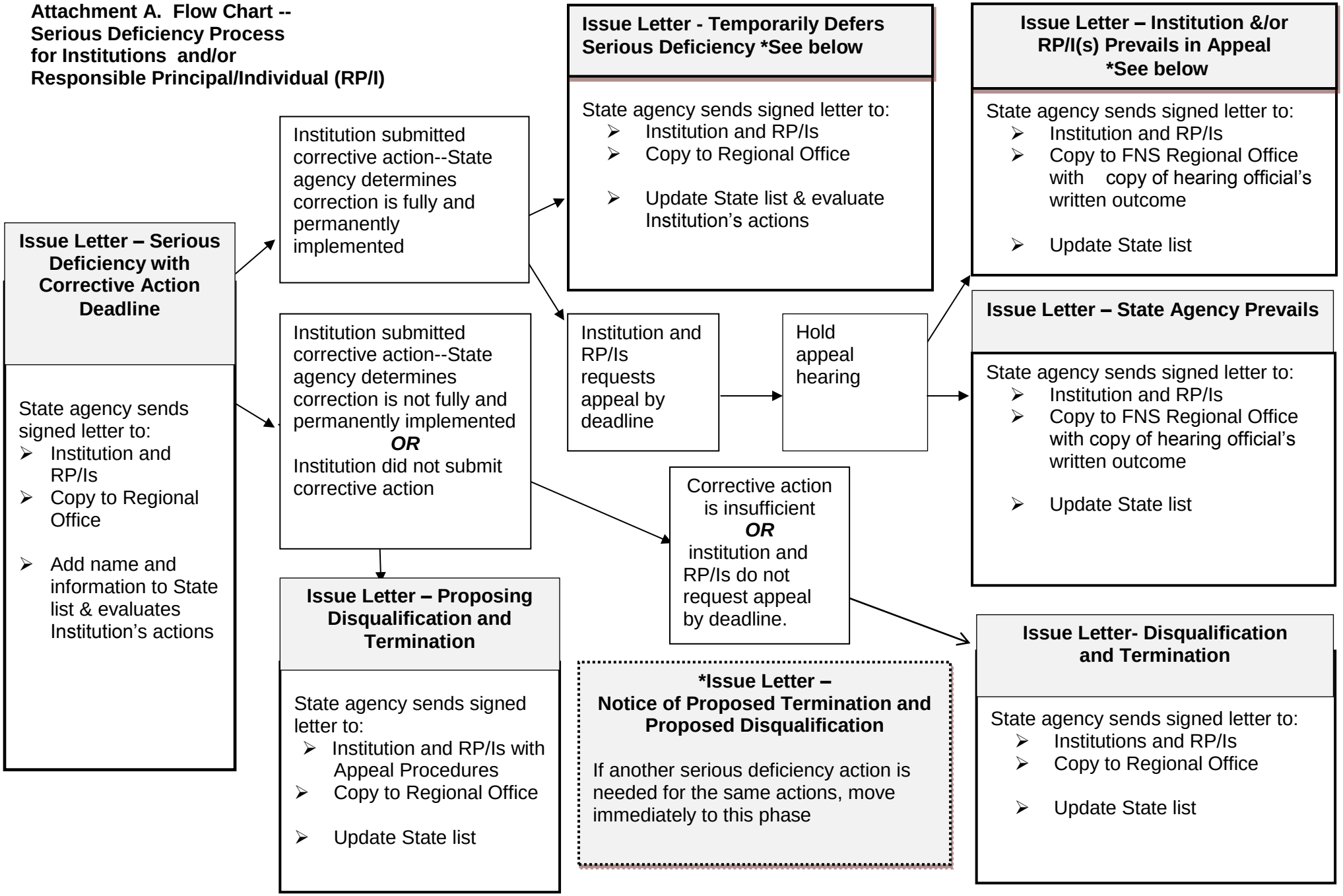
1. **School/Agency:** Print the name of the school or agency that is providing the form to the parent.
2. **Site:** Print the name of the site where meals will be served (e.g., school site, child care center, community center, etc.)
3. **Site Telephone Number:** Print the telephone number of site where meal will be served. See #2.
4. **Name of Participant:** Print the name of the child or adult participant to whom the information pertains.
5. **Age of Participant:** Print the age of the participant. For infants, please use Date of Birth.
6. **Name of Parent or Guardian:** Print the name of the person requesting the participant's medical statement.
7. **Telephone Number:** Print the telephone number of parent or guardian.
8. **Check One:** Check (✓) a box to indicate whether participant has a disability or does not have a disability.
9. **Disability or Medical Condition Requiring a Special Meal or Accommodation:** Describe the medical condition that requires a special meal or accommodation (e.g., juvenile diabetes, allergy to peanuts, etc.)
10. **If Participant has a Disability, Provide a Brief Description of Participant's Major Life Activity Affected by the Disability:** Describe how physical or medical condition affects disability. For example: "Allergy to peanuts causes a life-threatening reaction."
11. **Diet Prescription and/or Accommodation:** Describe a specific diet or accommodation that has been prescribed by a physician, or describe diet modification requested for a non-disabling condition. For example: "All foods must be either in liquid or pureed form. Participant cannot consume any solid foods."
12. **Indicate Texture:** Check (✓) a box to indicate the type of texture of food that is required. If the participant does not need any modification, check "Regular".
13. A. **Foods to Be Omitted:** List specific foods that must be omitted. For example, "exclude fluid milk."
    B. **Suggested Substitutions:** List specific foods to include in the diet. For example, "calcium fortified juice."
14. **Adaptive Equipment:** Describe specific equipment required to assist the participant with dining. (Examples may include a sippy cup, a large handled spoon, wheel-chair accessible furniture, etc.)
15 **Signature of Preparer:** Signature of person completing form.
16. **Printed Name:** Print name of person completing form.
17. **Telephone Number:** Telephone number of person completing form.
18. **Date:** Date preparer signed form.
19. **Signature of Medical Authority:** Signature of medical authority requesting the special meal or accommodation.
20. **Printed Name:** Print name of medical authority.
21. **Telephone Number:** Telephone number of medical authority.
22. **Date:** Date medical authority signed form.

The American with Disabilities Act Amendment Act defines a "disability," in part, as a physical or mental impairment that substantially limits a major life activity or major bodily function of an individual.

(For additional information on the definition of disability, please refer to Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act Amendments Act of 2008)

Information regarding the ADAAA, which expanded the definition of disability, can be found at: http: //www.law.georgetown.edu/archiveada/documents/ComparisonofADAandADAAA.pdf

Attachment A. Flow Chart -- Serious Deficiency Process for Institutions and/or Responsible Principal/Individual (RP/I)



COMMENT: The flowchart indicates that the State's determinaton that the CA is not acceptable or acceptable can be appealed. Regulations provide appeal rights for proposed termination/disqualification and established overclaims, not SDs and corrective actions. This flowchart is not easy to follow and it looks like the arrows are not displayed correctly.

Attachment B. Child and Adult Care Food Program – Meal Count Record

Institution: Month/Year: # of Operating Days:

Complete the first and last name of each enrolled participant.																														
Date	B	A	L	P	S	B	A	L	P	S	B	A	L	P	S	B	A	L	P	S	B	A	L	P	S	B	A	L	P	S
1																														
2																														
3																														
4																														
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31																														
Totals																														

1. Enter the institution name, month, year and # of operating days.

2. Records a check mark in each column for each meal served to each child per day at the time of meal service.

3. Total the checks in each column for each meal served to each participant; enter the number in the Totals row.

For Official Use Only

F			
R			
P			
	B	L	S

For Official Use – Total meals by reimbursement category by cross referencing the eligibility records.