



CACFP FAMILY CHILDCARE SPONSOR HANDBOOK

Administration of the CACFP in Day Care Homes

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OUTREACH

Institutions must be non-profit organizations to qualify as sponsors of family day care home (DCH) providers in the Child and Adult Care Food Program. Institutions approved as DCH sponsors need a process to recruit providers for their sponsorship. The most successful process for outreach is as follows:

1. Mail a letter that outlines the benefits of CACFP and introduces the person conducting the outreach. Some time and thought ~~se~~ **should** be applied towards creating a letter that is informative and friendly. Include that you would like to make an appointment to visit the provider at their home to discuss the CACFP and that you will reach out by telephone in the near future to discuss the possibility of scheduling a home visit. Include your phone number in the letter so that the provider can reach out to you as well.
2. Follow-up with a phone call to ask if the provider is interested in setting up an appointment to further discuss the CACFP. An introduction letter used as a first step in the recruitment process will undoubtedly be a more successful recruitment strategy than a “cold call” or an unexpected visit.

The Child Care Choices website <https://search.childcarechoices.me> is a good resource for outreach efforts because a DCH sponsor can search the website to obtain the name, address, and telephone number of all licensed DCH providers in each town that they want to include in their coverage area. The Child Care Choices website allows you to search for licensed providers or license exempt providers by town or zip code. You can choose to search for family-based providers by using the drop-down arrow in the section titled “Type of Provider” under “Filter Options” (as shown in the following figure).

The screenshot shows the 'Search Child Care' tab selected. Under 'Search By Address and Distance', there is a text input field and a 'Within: 5 Miles' dropdown. Below this is an 'OR' separator. Under 'Search By City', there is a text input field with a note: '*Spell out in full ("Mount Desert", not "Mt. Desert")'. Below this is another 'OR' separator. Under 'Search By ZIP', there is a text input field containing '04953'. At the bottom, under 'Filter Options', the 'Type of Provider' dropdown is set to 'Family Based'.

When the search for a town is complete, a list of all licensed childcare homes in the town will be displayed. If you look at the figure below, you will see that the search results for family-based providers in the town of Newport show that there are 7 licensed day care homes in the town and the name, address, and telephone number of each day care home provider is listed. Clicking on “Licensing Details” under a provider’s contact information will open a page that shows the status of the childcare license (active, renewal in process, sanctioned, or expired), the license number, the capacity, and the license

effective dates. The “License dates” sub-section of the section of this guidance titled “CNPweb” explains each license status.

The screenshot shows a search result for '7 child care facilities found.' The first result is for 'HAWTHORNE, JESSICA' at '24 GROVE ST, NEWPORT, ME 04953' with phone '(207) 944-5339'. The provider type is 'HOME'. It lists open slots: 'Open Infant Slots, 6 weeks to 1 year old: 0', 'Open Toddler Slots, 1-2 years old: 0', 'Open Preschool Slots, 3-5 years old: 0', and 'Open School Age Slots, 5 years or older: 0'. It also states 'Accepts CCSP: NO'. At the bottom are links for 'Driving Directions', 'Licensing Details', and 'Step Report'.

DCH sponsors can contact the State of Maine Childcare Licensing office and ask to be included in a contact group to receive e-mail messages containing a monthly licensing list. The list includes providers who are newly applying for a childcare license; these new applicants are not listed on the Child Care Choices website because they are not yet approved to provide childcare. The CACFP State Agency does not manage the licensing list and cannot give a sponsor access to the list or get a sponsor added back to the contact list if they stop receiving the e-mail

messages. Please contact Childcare Licensing heather.joslyn@maine.gov with all questions relating to the monthly licensing list.

ELIGIBLE PROVIDERS

Licensed

Licensed day care home providers must have a current childcare license to participate in the CACFP. When a provider moves to another home, sometimes Licensing issues a license with the same License number, and sometimes the License number and/or capacity changes.

Day care home providers are limited to 1 home per provider participating in the CACFP through a day care home sponsor. Providers usually operate a day care home out of their own residence; this is the true meaning of “day care home”. If a provider is participating in the CACFP through a sponsor and owns another childcare site that is licensed as a small facility, the small facility must either not participate in the CACFP or participate in the CACFP directly through the state agency. There is more information about small facilities in the section of this guidance titled “Small Facilities”.

VERIFYING LICENSE

Child Care Choices Website

Providers are sometimes operating with an expired license because Licensing has not yet issued the renewal. Sponsors can verify the license status by checking the Child Care Choices website; if the status of a childcare license is “Renewal in Process”, the paperwork is being processed and providers can continue to participate in the CACFP. Sponsors will have to change the expiration date of the license on Line 18 of the provider information sheet to the first day of the claim month and will continue to do this each month until the new license is issued.

Sponsors should always check the Child Care Choices website before revising providers’ license dates in CNPweb to see if the new license has been issued.

Childcare Licensing

There are some reasons to verify providers’ childcare license status with Licensing:

1. Providers sometimes submit their license renewal application later than allowed by Licensing and the license is in “Expired” status. Sponsors must contact Licensing to verify that there is no known reason for the license renewal to be denied. If Licensing verifies that the license will probably be issued and they are allowing the provider to continue childcare, sponsors can allow the providers to continue CACFP participation.
2. Providers are sometimes issued a conditional license and choose to appeal that decision. If a new license is issued, it will not be issued prior to completion of the appeal process. Sponsors must contact Licensing to request notification of the license status once the appeal has been heard and a decision has been made to issue or not issue a license. If a provider loses the appeal, their sponsor cannot reimburse their claim for any date beyond the last date that the provider was allowed by Licensing to care for children.

3. If sponsors cannot find a provider listed on the Child Care Choices website, it is possible that the provider is no longer licensed to provide childcare. If sponsors reimburse providers who are no longer licensed to provide childcare, any CACFP funds paid to those providers beyond the expiration of the childcare license will need to be returned to the state agency/USDA.

Legal Unlicensed Providers

Certain day care home providers who are not licensed can participate in the CACFP. These providers can care for up to 2 children who do not live in the home. When the CACFP state agency (SA) first allowed unlicensed providers to participate in the CACFP, sponsors were told that the providers could care for up to 2 children who are not related to the provider. To ensure that this guidance handbook is in line with Licensing requirements, the SA reached out to Licensing to ask the definition of “related children” and discovered that unlicensed providers are allowed to care for 2 children who do not live in the home regardless of relationship to the providers. Licensing has clarified that children related to the provider who do not live in the home must be included in the providers’ capacity. If a family has 3 children who need childcare, a provider who is not licensed could care for 2 of the children and the third child would need to be cared for by a different provider. Sponsors will choose “alternate approval” in the drop-down box on Line 14 of the provider information sheet. The provider’s capacity cannot exceed 2 on Line 16 of the provider information sheet. The effective date on Line 17 will be the date that the monitor conducts the pre-approval visit and completes the health & safety checklist, and the expiration date on Line 18 will be 1 year from the effective date. To qualify to participate in the CACFP, unlicensed providers must meet the following qualifications:

Health and safety checklist:

The health & safety checklist must be completed prior to unlicensed providers’ participation in the CACFP and annually thereafter. The current checklists must be uploaded annually to the checklist page of the agreement in CNPweb.

Sponsors are required to complete a health & safety checklist as part of the pre-approval visit for unlicensed providers. Since Child Care Licensing doesn’t inspect the homes of unlicensed providers, this health & safety check by the sponsor must be performed. It is imperative that the health & safety check is thorough and that the person performing the check understands that they are attesting to the health & safety of the children in the providers’ care. If problems are observed that threaten the health and/or safety of the children in care, those problems must be reported to Licensing.

Proof of at least one child receiving subsidized childcare payments:

Unlicensed providers cannot participate in the CACFP unless they are caring for at least 1 child for whom they receive payments from a childcare subsidy program. Sponsors will need to see proof of receipt of childcare subsidy that includes the name of the child(ren) for whom the subsidy is received. The verification must be dated so that sponsors can ensure that providers are currently receiving subsidized childcare payments. Verification of receipt of current subsidized childcare payments must be done prior to CACFP participation and at every monitoring visit. If providers no longer have a child in care for whom they receive subsidized childcare payments, the providers no longer qualify for CACFP participation and will need to be removed from the sponsorship.

Unlicensed providers must follow the same child/staff ratios as licensed providers and their capacity cannot exceed 2 children who are not related to the provider. The figure below shows the child/staff ratios required by Child Care Licensing.

CHILD AGES	PROVIDER:CHILD RATIO		
All children 6 weeks to 2 years old	1 Provider : 4 Children	2 Providers : 8 Children	3 Providers : 12 Children
All children 2 to 5 years old	1 Provider : 8 Children	2 Providers : 12 Children	Not applicable
All children over 5 years old	1 Provider : 12 Children	Not applicable	Not applicable
Mixed ages	1 Provider : 3 children under 2 years old + 3 children 2 to 5 years old + 2 children over 5 years old, or 8 children 2 to 5 years old + 2 children over 5 years old.	2 Providers : 6 children under 2 years old + 6 children over 2 years old.	3 Providers : 12 children (No more than 9 children may be under 2 years of age).

2. Ratios are always based upon the age of the youngest child present.
3. The number of children in care must not exceed licensed capacity. Children of the licensee aged four and over are not included in licensed capacity.
 - a. Children of the licensee under the age of four are counted in determining the provider-child ratio and are included in licensed capacity.
 - b. Children of providers who are not the licensee must be counted in the appropriate age groups when determining the provider-child ratio.

Small Facilities

A childcare site that is licensed as a small facility can participate in the CACFP through a day care home sponsor if the licensed capacity is 12 or fewer and the facility is “residential in nature”. CACFP regulations define a day care home as “an organized non-residential childcare program for children enrolled in a private home, licensed or approved as a family or group day care home and under the auspices of a sponsoring organization.” Non-residential means that the children enrolled for childcare do not reside in the home (the non-residential requirement does not include providers’ own children).

For CACFP purposes, family day care homes must be located in a provider’s own private residence, in the private residence of another, or in an unoccupied or rented private residence. Small facilities located in commercial buildings such as churches or schools are not private residences and are not eligible to participate in the CACFP through day care home sponsors.

If a small facility is located in a building which has a bathroom with a tub and/or shower, a kitchen with appliances that allow meal preparation, and is not located in a building that is obviously not intended to be used as a private residence, the small facility can participate in the CACFP through a family day care home sponsor.

If a site that is licensed as a small facility does not meet the “residential in nature” requirements, they must contact the state agency (SA) to find out if they are eligible to contract directly with the SA to participate in the CACFP. For-profit providers cannot participate in the CACFP unless at least 25% of the enrolled children are part of a lower income household. If a provider contacts a day care home sponsor to obtain CACFP information and their childcare site is licensed as a small facility and does not meet the “residential in nature” requirement, the sponsor should refer the provider to the CACFP state agency.

NEW PROVIDERS

A provider who stops participating in the CACFP and subsequently returns should be treated as a new provider; this requires that the sponsor completes another pre-approval visit and that a new sponsor/home agreement is signed by both parties.

Pre-Approval Visit

Sponsors must conduct a pre-approval visit with each provider who is interested in participating in the CACFP. The pre-approval visit is conducted with providers at their home or small facility at a time that is mutually agreeable for the provider and the sponsor. During the pre-approval visit sponsors must teach providers about the CACFP rules and regulations that are required to operate the CACFP in compliance with CACFP regulations. The visit must include instructions about the correct completion and submission of the sponsors' CACFP paperwork, the meal pattern and serving size requirements (including the sugar limits for cereal and yogurt, whole-grain rich requirements, milk requirements, and ounce equivalents), training requirements, the sponsors' monitoring requirements, paperwork retention requirements, Building for the Future and WIC posting requirements (take these postings with you for the visit), and infant feeding for those providers who care for infants. Providers should be given access to a hard copy or a link to a digital copy of the CACFP Crediting Handbook and the Food Buying Guide. The pre-approval visit should also cover the benefits of the CACFP, this is the perfect opportunity to discuss the ways that CACFP participation would benefit providers.

Sponsor/Home Agreement

During the pre-approval visit, sponsors should go over the rights and responsibilities of the sponsor and of the day care home provider that are listed in the sponsor/home agreement. Both the person conducting the pre-approval visit and the provider must sign the sponsor/home agreement and each party should have a copy in their CACFP files. Since the pre-approval visit is conducted at providers' homes, sponsors should arrive with 2 copies of the sponsor/home agreement (both to be signed by both parties so that each party has a signed original for their CACFP files).

The sponsor/home agreement is a permanent agreement and should not be re-signed or replaced with an updated agreement unless a provider stops participating in the CACFP and resumes participation at a later date. If CACFP rules or regulations that are outlined in the sponsor/home agreement change, the state agency will issue an addendum to be signed and retained by both parties. Signed addendums should be kept with the original sponsor/home agreements.

4-Week Visit

Sponsors must monitor providers who are new to their sponsorship within the first 4 weeks of CACFP participation. The initial monitoring visit allows sponsors to review the paperwork completed by new providers and offer technical assistance and guidance to ensure that providers are following CACFP rules and regulations. Monitors should document all findings of non-compliance and all technical assistance that is provided.

TIERING

School Data

The CACFP State Agency (SA) provides school data to DCH sponsors each year. The required deadline for the distribution of annual school data is February 15th; the SA will distribute the data when all schools have reported their data to the Department of Education (DOE), this usually occurs in December or January.

DCH sponsors must check the annual data to determine if any sponsored DCH providers qualify as tier 1 by school using the new data. If a sponsor determines that a provider qualifies as tier 1 by school using the most current data, they must revise the provider's information sheet in CNPweb. The revision will include entering the name of the qualifying school (if it is different than the information already entered), the "school number" (this is the percentage of children that qualify for Free or Reduced-price lunch in the qualifying school aka the data that the SA provides), and the certification date. The certification date will be the first day of the month in which the school data was provided by the SA (i. e. If the SA provided the new school data in the month of January 2023, the certification date would be 1/1/2023).

In the case of a new provider who starts CACFP participation after the month in which the school data was provided, the tier 1 by school data determination would be done in the provider's first month of participation so that the provider receives the full 5 years of eligibility. (i. e. If a provider starts CACFP participation in May 2023, the certification date for the provider would be 5/1/2023). Sponsors need to determine a new provider's tier 1 eligibility using the most current data available. (i. e. A provider starts CACFP participation on January 15th and would qualify as tier 1 by school data on January 13th using data from the previous year. However, the SA provides data for the current year on January 14th and the new data does not qualify the provider to receive the tier 1 rate of reimbursement. Since the provider started CACFP participation after the new data was released, the provider would not qualify to receive the tier 1 rate of reimbursement, even though they only missed the tier 1 qualification by 1 day).

A provider who lives in the area of a school in which 50% or more of the enrolled students qualify for Free or Reduced-price lunch qualifies for the tier 1 rate of reimbursement using school data and receives 5 years of eligibility as a tier 1 by school provider. Sponsors should contact the school district to learn where a child would attend school if they lived at the DCH location. It is fine to use online resources rather than contacting the school district if a school district provides bus routes that show the streets in a town and where children living on those streets would attend school. If a family can choose the school that their child will attend, the school data for such schools cannot be used to make tiering determinations because those schools do not necessarily represent the economic status of the area in which the provider lives.

It is important to check the data each year. The 5-year eligibility period for a provider who qualified as tier 1 by school data in January 2022 would end in January 2027. If the same provider qualified as tier 1 by school in January 2023, the 5-year eligibility period starts from the 2023 year and they would be eligible for the tier 1 rate until January 2028; sponsors need to check the school data and update the certification date each year if the new data will extend providers' eligibility periods. Keeping providers'

tier 1 qualification as current as possible will help sponsors retain providers, as most providers who do not qualify for the tier 1 rate of reimbursement choose to not continue CACFP participation for the lower Tier 2 rates.

If a provider moves, tiering must be re-determined for the new address; the 5-year period becomes void because the provider no longer lives in the area of the school that qualified them for the tier 1 rate of reimbursement.

Sponsors must keep proof of tier 1 by school qualifications in providers' files.

Census Data

Census data is updated annually and released each October. The SA notifies DCH sponsors that the new census data has been released when they receive notification of the release from FNS. A provider qualifies for the tier 1 rate of reimbursement if they live in a block group in which 50% or more of the children residing in the block group are part of a household that is below a specified income level. The tier 1 by census data determination gives a provider a tier 1 eligibility period of 5 years.

DCH sponsors must check the annual data to determine if any sponsored DCH providers qualify as tier 1 by census using the new data. If a sponsor determines that a provider qualifies as tier 1 by census using the most current data, they must revise the provider's information sheet in CNPweb. The revision will include entering the provider's block group number (if it is different than the information already entered) and the certification date. The certification date will be the first day of the month in which the census data was provided by the SA (This is almost always in the month of October. If the data was released in October 2023, for example, the certification date would be 10/1/2023).

In the case of a new provider who starts CACFP participation after the month in which the census data was provided, the tier 1 by census data determination would be done in the provider's first month of participation so that the provider receives the full 5 years of eligibility. (i. e. If a provider starts CACFP participation in May 2023, the certification date for the provider would be 5/1/2023). Sponsors need to determine a new provider's tier 1 eligibility using the most current data available. (i. e. A provider starts CACFP participation on October 2nd and would qualify as tier 1 by census data on September 30th using data from the previous year. However, the SA provides data for the current year on October 1st and the new data does not qualify the provider to receive the tier 1 rate of reimbursement. Since the provider started CACFP participation after the new data was released, the provider would not qualify to receive the tier 1 rate of reimbursement, even though they only missed the tier 1 qualification by 1 day).

It is important to check the data each year. The 5-year qualification period for a provider who qualified as tier 1 by census data in October 2022 would end in October 2027. If the same provider qualified as tier 1 by census in October 2023, the 5-year eligibility period starts from the 2023 year and they would be eligible for the tier 1 rate until October 2028; sponsors need to check the census data and update the certification date each year if the new data will extend providers' qualification periods. Keeping providers' tier 1 qualification as current as possible will help sponsors retain providers, as most providers who do not qualify for the tier 1 rate of reimbursement choose to not continue CACFP participation for the lower Tier 2 rates. Keeping census determinations current is especially important because the data from prior years is not available in future years. The FRAC mapper will tell you if there was a change in eligibility from the prior year, but that is the extent of prior year data availability.

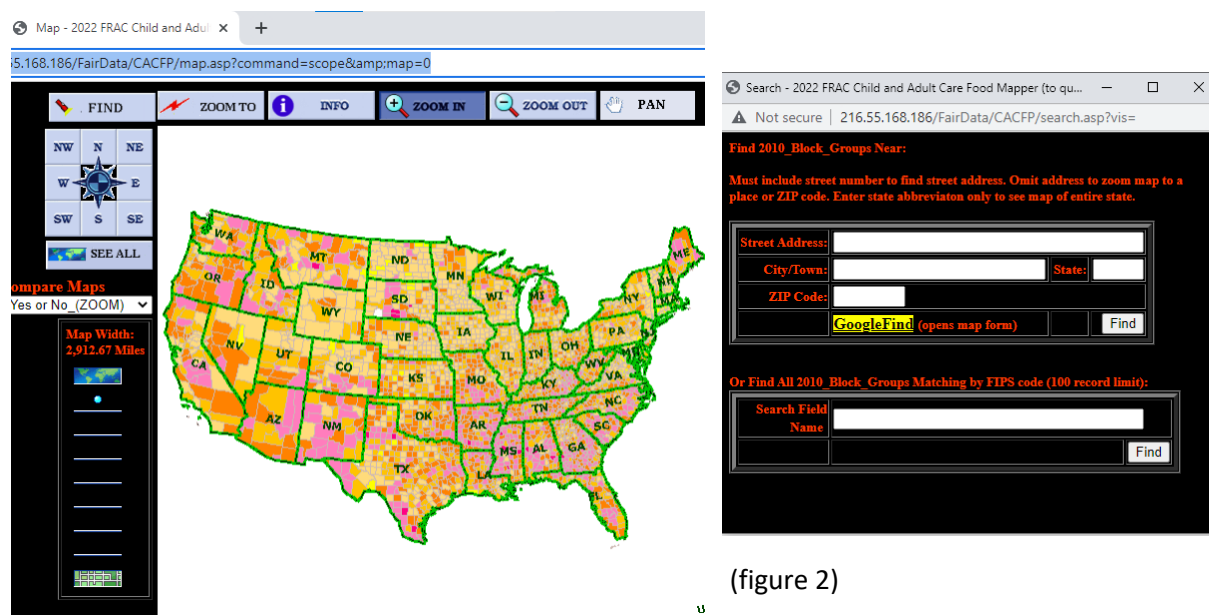
If a provider moves, tiering must be re-determined for the new address; the 5-year period becomes void because the provider no longer lives in the block group that qualified them for the tier 1 rate of reimbursement.

Sponsors must keep proof of tier 1 by census qualifications in providers' files.

Census data can be determined using either the FRAC mapper or the FNS mapper. Both mappers are easy to use but the FRAC mapper is a bit more user-friendly when trying to print proof of tier 1 by census determinations. Explanations of both mappers can be found in the following sections of this guidance.

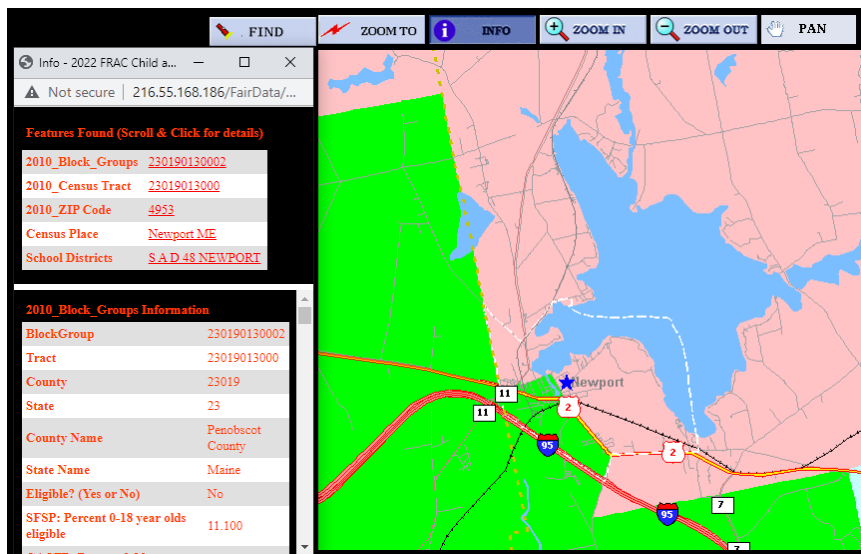
FRAC Mapper

The FRAC mapper is located on the FRAC website. The mapper is updated annually, but the updating of this mapper is not always as timely as that of the FNS mapper. As you can see in figure 1 below, the way to determine if the mapper has been updated is by looking at the tab above the search bar. FRAC labels the tab using the fiscal year (FY) to which the data applies (i. e. The figure shows that the map contains data collected in October 2021 for FY 2022. FY 2023 starts on October 1, 2022; once the map is updated with October 2022 data, the tab will read "Map – 2023 FRAC..."). The first step is to click on the rectangle titled "Find", a search box will open and you will enter the street address, town, state, and zip code of a provider to determine if the provider qualifies as tier 1 by census data (figure 2).



(figure 1)

Once the provider's address is entered into the search box and you click "find", a map will appear with a blue star that marks the location of the provider's childcare site. The next step is to click on the rectangle titled "Info" and then click on the blue star. These steps will cause a box to pop up that contains the census information for the address that was entered (see the following figure). The information in the box includes the block group number and a line that is titled "Eligible (Yes or No)". The information box can be moved to the most convenient location on the page for the sponsor to print the information for the provider's file.

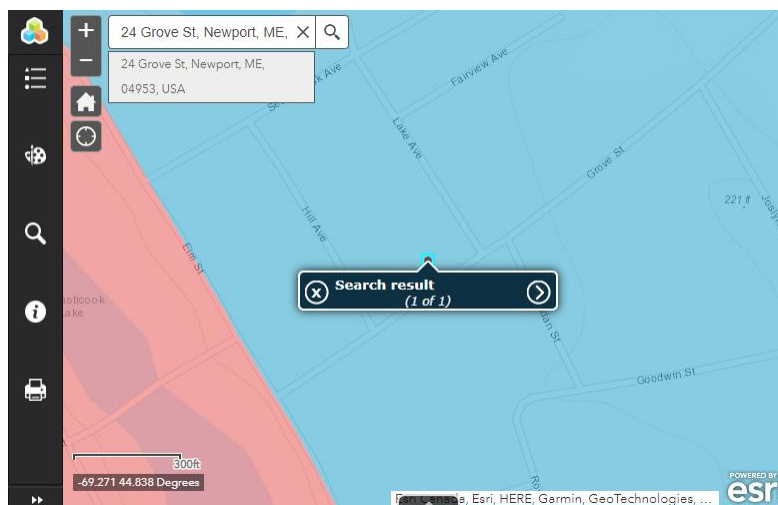


If the provider's address is in a block group that is eligible as tier 1 by census data, the area around the blue star will be green. If the provider's address is in a block group that is not eligible as tier 1 by census data, the area around the blue star will be pink. If the area around the blue star is light blue, this is a "census maybe". Anytime that the block group is a "maybe", a DCH sponsor must e-mail the CACFP State Agency (SA) with

the provider's name, street address, town, and zip code. Areas that are "census maybes" allow the SA to use both SFSP and CACFP data if either or both sets of data show that a provider's block group has an eligibility of at least 40%. The data for the provider's block group can be averaged with up to 2 adjacent block groups. The SA will use a weighted average to determine if the provider qualifies as tier 1 by census and will e-mail the result to the sponsor.

FNS Mapper

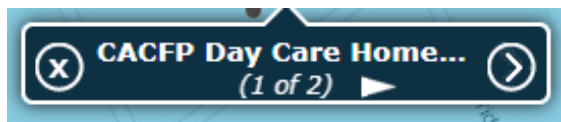
The FNS mapper <https://www.fns.usda.gov/area-eligibility> is updated annually by the USDA Food and Nutrition Service (FNS). FNS notifies the State Agency (SA) when the map has been updated and the SA notifies DCH sponsors that the data has been released, this usually occurs in early October. Be patient, it takes a few moments for the map to load. Once the map has loaded, you will be able to enter a provider's address in the search box (see the following figure).



If a sponsor has a printer that prints in color, they can print the resulting search page because it shows the location of the DCH and the address still shows in the search bar. This can get a bit confusing for those accustomed to using the FRAC mapper because the light blue color on the FNS mapper means that the address does not qualify as tier 1 by census and the pink color means that an address does qualify as tier 1 by census. To obtain the block group

number for a provider who qualifies as tier 1 by census, the next step is to click on the map beside of the dot that is close to the rectangle titled "Search Result". After you click on the map, the "Search Result" box will change to show a box titled "Search Result (1 of 2)" (see the following figure). (Do not double

click as this changes the order of the block group screens to list the qualifying block group first so the first screen could then list information for a block group adjacent to the provider's block group).



You can then click on the “arrow with a circle around it” to view the screens that contain the information about the block group.

(1 of 2)	
CACFP Day Care Home (Tier I) and SFSP Summer Meal Site Eligibility for FY23: 230190130002	
GEOID	230190130002
State	Maine
FY 2023 Area Eligible?	NO
CBG: Percentage of children (0-18) eligible for F/RP meals	7.70
CBG: Number of children (0-18) eligible for F/RP meals (Numerator)	10.00
CBG: Total children (0-18) (Denominator)	130.00
CBG: Percentage of children (0-12) eligible for F/RP meals	14.30
CBG: Number of children (0-12) eligible for F/RP meals (Numerator)	10.00
CBG: Total children (0-12) (Denominator)	70.00
Census Tract: Percentage of children (0-18) eligible for F/RP meals	25.80
Census Tract: Percentage of children (0-12) eligible for F/RP meals	36.30

The first screen that you will see after you click on the arrow lists the block group information for the address that you entered into the search box (see the figure above). The second screen lists information about a block group adjacent to the block group for the address that you entered into the search box. The reason for the search to yield information for more than 1 block group is explained in a memo from FNS: “Occasionally, a potential CACFP day care home is determined not to be area eligible but is located immediately adjacent to an eligible area. This suggests that children in eligible census block groups may be served by and benefit from a CACFP day care home located in a neighboring census group in close proximity. In recognizing that likelihood and allowing additional flexibility in the use of census data to establish area eligibility, we can ensure area eligibility determinations accurately identify areas in which poor economic conditions exist”. If you look at the information provided in the figure above, you will see that the provider does not qualify as tier 1 by census (line 3 of the chart). You should then look at the percentage of children (0-18) eligible for F/RP meals (line 4 of the chart) and the percentage of children (0-12) eligible for F/RP meals (line 7 of the chart); if either of the percentages are 40 or higher, you should contact the SA via e-mail and ask that they calculate a weighted average to determine if the provider qualifies as tier 1 by census. The e-mail should indicate that the provider’s block group could potentially qualify as tier 1 by census; this is called a “census maybe”. The e-mail should list the provider’s name, street address, town, state, and zip code. The SA will calculate the weighted average and will notify the sponsor via e-mail regarding the eligibility of the provider as tier 1 by census. (Neither percentage in the figure above is 40 or higher, so the sponsor would not contact the SA). Clicking on the “X with the circle around it” or the “downward arrow with the circle around it” will take you back to the search page. If your search yields more than 1 block group, you should verify that the block group information on the first page pertains to a provider’s address by also entering the address into the FRAC mapper. Search results in the FRAC mapper will yield information for just 1 block group. Once you have

confirmed the provider's block group number, you can go back the FNS mapper and look at the information for just that block group. The only times that DCH sponsors would have to use the FNS mapper rather than the FRAC mapper would be when the updating of the FRAC mapper is delayed beyond the month of October. FRAC updated their mapper in the month of March in FY 2022; this is not typical and probably was due to the fact that all DCH providers were receiving the tier 1 rate of reimbursement through a COVID-related waiver. In normal years when providers are being paid at both the tier 1 and tier 2 rates of reimbursement it is important to check census data in the month of October for those providers who do not have a tier 1 qualifier, and sponsors should use whichever mapper has been updated.

Household Income

DCH sponsors are required to explain the option for providers to submit proof of household income and to complete the "Dear Provider" income eligibility form (IEF) to determine if they qualify to receive the tier 1 rate of reimbursement based on their household income. The option should be discussed annually with all providers who do not qualify as tier 1 by school or census (even if they have no children of their own) and with all providers who wish to enroll their own children in the CACFP (even if they qualify as tier 1 by school and/or census). A provider must qualify as tier 1 by household income to be able to enroll their own children in the CACFP. A USDA memo explains: "The definition of "provider's own children," for purposes of receipt of Child and Adult Care Food Program benefits, is all residential children in the household who are part of the economic unit of the family. For purposes of the Child and Adult Care Food Program a family is defined as a group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit. An economic unit is a group of related or unrelated people who share housing and all significant income and expenses. Foster children placed in the home by a foster care agency or a court are considered part of the household. Children whose parents or guardians have made a contractual agreement, whether formal or informal, with a provider for residential childcare, and whose relationship with the provider is defined primarily by the childcare situation, are not considered the "provider's own."

At least one nonresidential child must be receiving care by the provider in order for the provider to qualify as a family day care home for Child and Adult Care Food Program eligibility purposes. For meals to be reimbursable under the program, a nonresidential child must be in attendance and participating in the meal service."

DCH sponsors must provide the "Dear Provider" IEF annually to all providers who do not qualify for the tier 1 rate of reimbursement using school data or census data and to providers upon request. The State Agency (SA) provides the IEF annually to DCH sponsors in mid-June with the updated income guidelines that become effective each July. Providers who qualify as tier 1 by income should not be asked to re-do the IEF just because a new IEF has been provided by the SA, if their tier 1 by income qualification is still effective the providers do not need to complete the new form. Sponsors should keep a list of providers who applied for tier 1 by income and did not qualify so that they can offer to provide the updated form when the income guidelines change (The income guidelines usually increase each year, so a provider who almost qualified with the previous guidelines could potentially qualify in July when the new guidelines become effective).

Instructions for completion of the 4 page "Dear Provider" IEF are on pages 1 and 2 of the form. Sponsors should refer to the instructions when answering providers' questions regarding form completion. The

IEF also describes possible sources of income and the various forms of verification required for those sources of income. The following excerpt is taken from page 1 of the IEF: “By regulation, all listed incomes must be verified by your CACFP Sponsor. This means you must provide your sponsor with copies of several (not just one) recent paycheck stubs for anyone in the household who is employed, but not self-employed.” (FYI: the SA requires that you collect copies of paycheck stubs for the most current 4 weeks). “If someone in the household receives benefits from Social Security, a pension or retirement, Unemployment Compensation, Life Insurance, or other such program you must supply a copy of the most recent granting letter from that source showing the amount to be received monthly. If benefits are being received from the Supplemental Nutrition Assistance Program (SNAP) (formerly known as Food Stamps), TANF, or the Food Distribution Program for Indian Reservations (FDPIR), you must supply a copy of the most recent granting letter showing the amount to be received, and the period of eligibility. You must also supply copies of checks to verify any other sources of income including Child Support or Alimony.”

“All Child Care Providers are considered to be self-employed. For this reason, you must either supply current records of your business income and expenses to show your current net income from self-employment, or, if the net income from self-employment from the most recent year is not representative of your current level of income, you may supply a copy of your most recent IRS 1040 form.” The SA requires that providers whose most current IRS 1040 form is not representative of their current income submit a business income and expense statement that covers the most current 4 weeks. The income and expense statement is usually used as proof of income for self-employed persons who have not been self-employed and operating at their current income level for a period of at least 1 year; the sponsor should require a copy of the income tax 1040 form whenever possible.

Payments received from a foster care agency or court for the care of foster children do not need to be included in household income. Income earned by a foster child or made available to the foster child must be included in household income. A foster child is a child whose care and placement is the responsibility of a State or local welfare agency or who is placed by a court with a caretaker household. This applies only to foster children who are formally placed by the State welfare agency or court. It does not apply to informal arrangements, such as caretaker arrangements or to permanent guardianship placements, which may exist outside of or as a result of State or court-based systems.

A child may still be considered a foster child if placed with relatives provided the placement is made by the State or local foster care system or courts. The State must retain legal custody of the child, whether placed by a welfare agency or a court in order for a child to be considered a foster child.

DCH sponsors should use the income guidelines on page 2 of the IEF to determine if the household income qualifies the provider as tier 1 by income. First, check the IEF to ensure that the provider entered all of the information that is required on page 3 of the IEF. For the form to be complete, the provider must also fully complete the box on page 4 of the IEF (see figure below).

SIGNATURE:

(Name of Adult)	(Last 4 digits of SS#)	(Signature of Adult)	(Date)
(Household Address of Adult)	(Home Phone)	(Work Phone)	

☐ I do not have a social security number

THIS PORTION MUST BE COMPLETED BY THE DAY CARE HOME SPONSOR:

Signature: _____ Date: _____

Is provider eligible for Tier I rate based on household income or direct certification?

(circle one): Y N

After the sponsor has ensured that the “Dear Provider” IEF is thoroughly completed, they should next review the paystubs, income tax forms, benefit award letters, and all other income verification that the provider submitted. The tier 1 by income determination will be made using

gross income for all income sources with the exception of self-employment. Proof of income for all household members who are self-employed should be in the form of the most current income tax 1040 form if it is representative of current self-employment income or an income and expense statement that lists all income and expense for the business for the most current 4 weeks if the most current income tax 1040 form is not representative of current income. The DCH sponsor will use net income for self-employed household members when determining if the household qualifies for the higher rate of reimbursement. If the household income section of the form shows that there are income sources for which the provider did not submit verification, the sponsor must request and receive the missing verification before the tiering determination can be made. When the review of the form and the verification of all household income is complete, the sponsor must complete the section at the bottom of the form to verify the determination (see figure above).

IEFs are effective for a period of 13 months; this includes the entire month in which the form is submitted to the sponsor and the entire month in which the form expires. (i. e. A provider submits the “Dear Provider” IEF and proof of all household income on January 12, 2023, and the sponsor determines that the provider qualifies as tier 1 by income. The provider qualifies as tier 1 by income starting on January 1, 2023, because the form is effective for the entire month in which the form is received. The provider also qualifies as tier 1 by income for the entire month of January 2024). The tier 1 by household income determination qualifies the provider to receive the tier 1 rate of reimbursement and/or enroll their own children in the CACFP. It is important to have a process for tracking tier 1 by income households that allows the sponsor to provide a new form to the providers before the period of “tier 1 by income” status ends.

DCH sponsors must be sure that tier 1 by income providers are not paid for meals and snacks served to their own children if their tier 1 by income qualification period has ended and the provider has not submitted a form and proof of household income to re-qualify for receipt of the higher rate of reimbursement based on household income.

IEFs and all other CACFP documents should be kept on-file for a period of 3 years plus the current year.

Reporting Providers Who Receive SNAP

DCH sponsors must document the name, address, and Case # of providers who check the box on the income eligibility form (IEF) that indicates that the household receives SNAP (see figure below).

If you, or any other household member, receive SNAP, TANF or FDPIR benefits, please provide the case number below:

☐ SNAP case ID number: # _____ (not EBT number)

☐ TANF case ID number: # _____

☐ FDPIR case ID number: # _____

If a provider checks the box but does not provide the Case#, a sponsor should contact the provider to request the case#; a provider would not qualify as tier 1 due to receiving SNAP benefits if they checked the box but didn't provide the Case#. Sponsors must annually e-mail a list of providers who receive SNAP (Food Stamps) to the State Agency (SA). The list should include each provider's name, street address, town, and SNAP Case#. The Case# can be found on every piece of mail that the provider receives from the Office for Family Independence/Department of Health and Human Services. The Case# for receipt of benefits is always the Case# of the person who applied for the benefit on behalf of the family. The Case# is not the 17-digit number on the EBT card that SNAP recipients use to purchase groceries, nor is it the MaineCare# of other family members. If the person who applied for SNAP (aka the case head) also receives MaineCare, the Case# is the same as the MaineCare# of the case head. Most DCH sponsors send the list of providers who qualify as tier 1 by income due to the receipt of SNAP to the SA when they complete the agreement renewal for the next agreement year and again throughout the year as they add new providers who are SNAP recipients.

Tier 2 and Tier 2 Mixed

DCH sponsors must provide the "Dear Parent for Tier II Homes" income eligibility form (IEF) to providers who do not qualify for the tier 1 rate of reimbursement. The IEF must be provided to Tier 2 providers annually and upon request. The providers can choose to give the IEF to families for all the children in their care, to give the form only to the families that they believe have a household income equal to or lesser than the amount listed in the chart on page 2 of the IEF, or to not give the form to any families and accept the tier 2 rate of reimbursement for all children in their care.

Providers who choose to accept the Tier 2 rate of reimbursement for all children in their care must annually sign a form to verify that choice. Sponsors should keep the signed form in the providers' files.

Providers who choose to ask families to complete the IEF can either have the families mail the IEF directly to their DCH sponsor or return the completed forms to the provider to submit to the sponsor. If tier II family day care home providers wish to collect and transmit household information, they or the sponsors must ensure that each household knows: 1. The household is not required to complete the income eligibility form in order for their children to participate in CACFP; and 2. Households have the option, if they choose to complete the income eligibility form, of either returning the form directly to the sponsor at the address indicated on the form or returning the form to the provider with written consent allowing the provider to collect the form and transmit it to the sponsor on the household's behalf. Page 1 of the IEF was revised to include the information outlined in this paragraph (see figure below).

You are not required to complete this form but if you choose to do so, your provider may receive a higher reimbursement for the meals served to your child. If you do complete the form, you have the option of returning it directly to your provider or to the provider's sponsor. If you would like to submit your form directly to the sponsor, return the completed form to:

Sponsor Name: _____

Address: _____

Phone Number: _____

_____ Initial here if you consent to allowing your provider, _____,
(Provider's Full Name)

to collect your form and submit it to the sponsor. Your provider will not review your form.

Please do not return the completed form to the Department of Education.

Providers or families must submit all 4 pages of the IEF to the DCH sponsor since the written consent is on the first page and the sponsor is required to keep the written consent in the providers' files.

SIGNATURE:			
(Name of Adult)	(Last 4 digits of SS#)	(Signature of Adult)	(Date)
(Household Address of Adult)		(Home Phone)	(Work Phone)

☐ I do not have a social security number

THIS PORTION MUST BE COMPLETED BY THE DAY CARE HOME SPONSOR:

Signature: _____ Date: _____

Child's Eligibility Category (circle one): Tier I Tier II

The DCH sponsor is responsible for reviewing the completed IEFs to determine if the child listed on each IEF qualifies to receive the tier 1 or tier 2 rate of reimbursement. The sponsor should first check the form to ensure that the entire form, **including the box on page 4**, is

complete. Proof of household income is not required for this form; the sponsor will determine if the child qualifies for the tier 1 or tier 2 rate of reimbursement using the income that the family writes in the household income section of the form. When the review of the form is complete, the sponsor must complete the section at the bottom of the form to verify the determination (see figure above). Sponsors must ensure that the creditable meals and snacks served to children who qualify as tier 1 based on their household income are paid at the tier 1 rate of reimbursement. The claim form for tier 2 providers has separate spaces in which to enter "Tier II High" and "Tier Low" meals and snacks.

CNPweb GUIDANCE

Inactivating a Provider

When a DCH provider leaves a sponsorship because they close their childcare, decide that they no longer wish to participate in the CACFP, or transfer to a different sponsor, the provider information sheet must be revised in CNPweb. The date that the provider leaves the sponsorship must be entered on Line 7 of the provider info sheet ("Provider Closed Date"). The next step is to uncheck the months of operation (Line 41) for all months after the month in which the provider leaves the sponsorship. Next, save these changes at the bottom of the page; the provider is now listed as inactive.

Terminating a Provider

When a provider has been declared seriously deficient (SD) in the operation of the CACFP, sponsors will enter a termination date on Line 8 of the provider information sheet in CNPweb. There is a drop-down list on this line for sponsors to choose the reason that the provider was declared SD. The months of operation beyond the termination date must be unchecked on Line 41, then the changes can be saved and the provider will become inactive. Sponsors should not enter a date on Line 8 for a provider who leaves the sponsorship for a reason that is not related to a serious deficiency.

Re-Activating a Provider

Providers who previously participated in the CACFP, stopped participation, and then want to return to a sponsorship will need to be re-activated. The first step towards re-activating a provider's information sheet is to contact the CACFP state agency (SA) and ask that the provider be marked as active. Once the provider has been re-activated by the SA, a sponsor will be able to click on the "+" sign to the right of the provider's name (under the applications tab) and complete the sheet with current information. It is important to change the "CACFP Start Date" on Line 6 to the date that the provider is resuming CACFP participation.

Providers Switching Sponsors

Occasionally a provider wants to switch DCH sponsors. The state agency is required by CACFP regulations to limit these transfers between sponsors to 1 time per agreement year (October through September). Sponsors can require a provider to submit a written request to be released from their sponsorship; some sponsors require written requests and some accept verbal requests. It is important that a sponsor consider if they want to allow a provider to transfer to a different sponsor after a claim month has started if the sponsor has done some administrative duties on behalf of the provider. For example, if a sponsor has already checked a provider's paperwork for the first week of the month and/or conducted a monitoring visit, the provider can be required to remain with that sponsor for the rest of the month because they are entitled to the administrative reimbursement for the provider. If a sponsor wants to allow a provider to transfer after they have done some administrative duties on behalf of the provider, they can do so but they cannot submit a claim for the provider for the month in which the provider transfers and they will receive no administrative funds for that provider for the transfer month. In a situation where a sponsor allows a provider to transfer after a month has started, the new sponsor would submit the provider's claim for the transfer month; 2 sponsors will not be allowed to claim a provider in the same month.

If a provider requests a transfer to a different sponsor, the current sponsor must contact the CACFP state agency (SA). There is a step that needs to be taken by SA staff before the provider can be added to a new sponsor's agreement. When the SA has made the transfer, the new sponsor will be able to add the provider to their agreement.

If a sponsor is not aware that a provider is already participating in the CACFP with another sponsor, they will get the following message when they try to add the provider to their agreement:

Please correct the following errors:

- - A provider with the same first name, last name and birth date already exists. Please contact the State for assistance.

The state agency often learns of transfer requests from the sponsor to which the provider wishes to transfer. If this happens, the SA staff will contact the current sponsor to discuss if they want to retain the provider for the remainder of the month or if they want to allow the provider to transfer. The SA will ask the current sponsor to submit proof of the provider's current tiering determination via e-mail and will forward that information to the new sponsor. Tiering will need to be re-determined for providers who transfer because the provider has moved to a new home/location.

The new sponsor must sign a sponsor/home agreement with the provider and conduct a pre-approval visit to explain the policies, procedures, and paperwork required by the new sponsor. The CACFP start date on Line 6 of the provider information sheet in CNPweb should not be changed for providers who transfer.

One of the provider's responsibilities listed on the sponsor/home agreement is a provider's agreement to provide written notice of a transfer no less than 30 days in advance of the date that they wish to terminate their agreement with their current sponsor. If a sponsor wants to require the 30-day written notice, they can do so, but providers usually transfer because they are unhappy with the current sponsor and a provider may choose to stop participation in the CACFP during the 30-day period. If a sponsor takes this into consideration, they will probably allow the transfer before the 30-day period has passed because they wouldn't earn any administrative funds for a provider who didn't submit any menus or meal counts. If a provider did not participate in the CACFP for a month, they would be considered a new provider and tiering would need to be determined using the most current school and census data. In a case where there was a break in CACFP participation, the start date for a provider would need to be changed on the provider information sheet.

PROVIDER INFORMATION SHEETS

Eligibility Section

Tier 1 by School data or Census data and/or by household income:

Sponsors must enter providers' tiering information in the eligibility section of the provider information sheet. The information must be checked using the most current information available for school data, census data, or household income.

School data requires that sponsors enter the "School Name" and "School Number". Sponsors should enter the full name of the school that qualifies the provider for tier 1 by school; the state agency (SA) is not familiar with every school in the State, and if sponsors enter abbreviated names of schools the SA might reject the provider information sheet due to not being able to find the school in the list of qualifying schools. The "School Number" is the percentage of students enrolled in a qualifying school who are eligible for Free or Reduced-Price meals; this number will always be 50 or greater.

Census data requires that sponsors enter the "Census Block Number"; this number will be found on the Census mappers and should be the block group number of the block group in which a provider resides.

The certification date (Line 35) is the first day of the month in which the tiering data became available (10/1/2022 if the new census data was released in October 2022; 1/1/2021 if the new school data was released in January 2021; 7/1/2022 if a provider submits a completed "Dear provider" form and proof of income in July 2022). The certification date for new providers should always be the same as their start

date. If a provider's tier changes during the agreement year, sponsors must also change the "Tier level for the Month" on Line 41.

If a provider qualifies as tier 1 by household income and also by school data and/or census data, sponsors will complete Lines 36 through 38 to allow providers to claim meals and snacks served to their own children. The only time that sponsors should choose "Tier 1 Eligibility determination by Provider Income Eligibility" on Line 31 is if a provider does not qualify as tier 1 by school data or census data.

License Dates

Sponsors will receive the following message when they try to submit a claim for a provider whose childcare license has expired:

Please correct the following errors:

- Claim date cannot be after the License Expiration Date on the provider application.

When this message appears, sponsors will have to open the applications tab, check the Child Care Choices website to obtain the providers' current license date, enter the new dates onto Lines 17 and 18 on the provider information sheet, and submit the revised sheet for approval. After the state agency approves the revision, sponsors will need to save the claim to refresh the information and clear the error; the claim can then be submitted.

Meals and Days Section Reasonable Meal and Snack Times

The time between meals and snacks, the time that meals and snacks are scheduled to be served, and the length of meal and snack services must be considered by the state agency to be reasonable. A reasonable amount of time between 2 meals is at least 2 hours and a reasonable amount of time between a meal and a snack is 1 hour and 15 minutes. Meals and snacks should also be scheduled at a reasonable time of day. For example, Neither 10:00 AM nor 2:00 PM is a reasonable time to serve lunch. The length of a snack service is usually anywhere from 15 minutes to 30 minutes, and the length of a meal service is usually around 1 hour. If a provider is serving more than 2 meals and 1 snack or 2 snacks and 1 meal per day, the meal and snack services above 3 should be marked as shift or occasional. (i. e. A provider usually serves breakfast, lunch, and PM snack, but occasionally serves AM snack if a child arrives too late for breakfast. Sponsors would mark AM snack as occasional for this provider).

Claim Forms

Sponsors should enter actual administrative costs for the month and use the homes times rate for the number of providers for which a claim is being submitted to enter the administrative income for the month. The administrative income and expense should be entered at the bottom of the sponsor claim form. (Completion of the carryover document will be simpler if DCH sponsors enter their actual administrative expenses on the claim form each month. Sponsors can then check CNPweb to total the administrative income and expense for each month of the agreement year and enter those totals on the carryover document).

Child or adult in attendance means a child who has submitted a signed document which indicates that the child is enrolled in the CACFP; who is present in the day care home for the purpose of childcare; and who has eaten at least one meal during the claiming period. This means that you will count the number

of unique enrolled individuals that eat each day and add the daily numbers together to calculate total monthly attendance.

The number of operating days is the number of days that the provider was open for childcare purposes and served a meal or a snack to at least 1 child.

ANNUAL TRAINING

DCH Provider Training

Every DCH provider participating in the CACFP must receive annual training between October 1 and September 30 each year. In-person trainings are strongly recommended. Sponsors are encouraged to offer more than 1 annual training in various locations, especially if the sponsor serves a large geographical area.

All providers who don't attend a scheduled in-person training must have access to a make-up training. Make-up trainings can be conducted in the following ways: 1. The sponsor can schedule at least 1 in-person make-up training; 2. The sponsor can offer one-on-one training in a provider's home; 3. The sponsor can mail written training material to a provider along with a test that the provider must complete and return to the sponsor on or before a deadline determined by the sponsor or; 4. The sponsor can schedule a virtual training. Other methods for conducting make-up trainings may be acceptable; if a sponsor wishes to employ a unique method to conduct a make-up training, they should contact the state agency (SA) for approval.

All trainings must be documented with a dated agenda that lists the topics and the location of the training, and a sign-in sheet that is signed by all attendees. Sponsors should remind providers that attendance at 1 CACFP-related training each year is a provider responsibility that they agree to fulfill when they sign the sponsor/home agreement during the pre-approval visit. Civil Rights is a required training topic every year; sponsors can utilize the pre-recorded civil rights webinar that is provided by the state agency to train providers. The other training topics will vary from year-to-year and will be determined by gaps in knowledge that sponsors observe during monitoring visits and new CACFP information that has been adopted by FNS/USDA.

The CACFP SA will view the training agendas and sign-in sheets as part of each administrative review.

Annual In-House Training

In addition to the mandatory annual DCH provider training(s) and attendance at the mandatory annual state agency training, every sponsor is required to conduct annual in-house training. As the words "in-house" suggest, this training is conducted by institution staff and every staff person with CACFP duties must attend in-house training. Those staff persons include, but are not limited to, monitors, fiscal staff, and administrative staff. CACFP administrative staff includes, but is not limited to, staff who check menus for compliance; staff who track enrollment forms; staff who determine eligibility for the tier 1 rate of reimbursement for providers who submit a "Dear Provider" income eligibility form (IEF) and for children enrolled in a tier 2 Mixed home whose family submits a "Dear Parent for Tier 2 Homes" IEF; staff who complete meal counts; staff who make tiering determinations; staff who complete the annual agreement; staff who review the monthly claim for accuracy; and staff who submit the monthly claim. These trainings must be documented with a dated agenda that includes the location of the training and

a sign-in sheet to verify those in attendance. Staff persons conducting the training(s) should also sign in to verify attendance at the mandatory in-house training.

In-house training presentations must be created by the sponsor and must cover the sponsor's policies and procedures for each CACFP duty that is conducted to maintain compliance with CACFP Federal regulations, part 226 (CFR §226). Sponsors should use these annual trainings to refresh proper practice of policies and procedures, and to determine if current policies and procedures should be revised to better meet the needs of staff persons while maintaining the integrity of the CACFP. Each staff person with CACFP duties must attend a mandatory in-house training that covers the internal policies and procedures related to the CACFP topics that are part of their duties. **IMPORTANT and IMPERATIVE:** Institutions should ensure that at least 2 staff persons are trained to perform every CACFP-related duty.

Sponsors are not required to create in-house training for the topic of civil rights. Civil rights is the only training topic that sponsors can present to staff persons using the SA pre-recorded webinar. Civil rights training must be viewed annually by all staff persons with CACFP duties and their immediate supervisors. This training must also be documented with a dated agenda and a sign-in sheet to verify attendance. Only the person who attends the SA civil rights training must complete the civil rights quiz.

New staff persons with CACFP duties must receive civil rights training and CACFP training that relates to their CACFP duties, prior to assuming those duties.

Institutions that sponsor homes must train staff persons on the following CACFP topics:

1. Meal Patterns: Train staff persons who check DCH provider menus for meal pattern compliance; a review of meal patterns is a necessary part of meal pattern training. This training applies to the person(s) checking providers' menus and those who double-check the menus to ensure that they meet meal pattern requirements. This training should include the procedures used to disallow meals and snacks that do not comply with the CACFP meal pattern and the procedures used to notify providers of the number of disallowed meals/snacks and the non-compliance findings that caused the disallows.

2. End of Day Meal Counts: This training applies to monitors and should include the procedures used by monitors to disallow meals and snacks for days, prior to the day of the monitoring visit, when the provider did not document meal counts. The procedures should include what monitors do on-site, including technical assistance, and how the sponsor ensures that providers are not paid for meals/snacks that are not documented by the end of each day. The training must also include the procedures used to notify providers of the number of disallowed meals/snacks and the non-compliance findings that caused the disallows. Meal count training also applies to staff persons responsible for counting the number of creditable meals/snacks claimed by each provider and the staff persons responsible for double-checking those meal counts for accuracy. The staff persons verifying meal counts must also be trained on the procedures used to ensure that each child for whom meals/snacks are claimed has a current and complete CACFP enrollment form on-file. This portion of the training must include the procedures used to disallow meals/snacks claimed for children who do not have a current and complete enrollment form on-file with the sponsor, and the procedures used to notify providers of the number of disallowed meals/snacks and the non-compliance findings that caused the disallows.

3. Claim Review Procedures: Train staff persons responsible for reviewing the monthly claims for accuracy. This training should include a description of the documents used to compile the creditable portion of each provider's claim and an explanation of how those documents are used to ensure that

claims for reimbursement are accurate. There should be at least 2 staff persons trained to review the monthly claims.

4. Claim Submission: Persons authorized to submit claims on behalf of the institution must annually review the procedures used to submit a claim to the SA for approval. This training should include internal time-frame policies for claim submission as well as the requirement to submit a claim within 60 days of the last day of the month to which the claim pertains. As with all CACFP-related duties, every sponsor should have at least 2 staff persons trained to submit claims.

5. Reimbursement Systems: Train all staff persons who track CACFP funds. This includes the tracking of pass-through funds that will be disbursed to providers and the receipt and expenditure of administrative funds. CACFP funds must be tracked separately from all other funding sources. Sponsors must document and retain complete and accurate records of the receipt of CACFP income (date and dollar amount) and the purpose, dollar amount, and date of expenditure of each CACFP expense. Reimbursement system training should cover the procedures for tracking CACFP income and expense, how staff members with CACFP purchasing duties request/receive CACFP funds to purchase items used in the administration of the CACFP, and how the sponsor allocates CACFP funds to pay for the CACFP portion of expenses shared by more than 1 funding source. The training should include the fact that all CACFP expenditures must be reasonable, allowable, and necessary. Income and expense records must be verifiable through invoices, receipts, and bank records, so the training must include the procedures used to obtain verifying documents and the procedures required to ensure that the correct staff person(s) receive the needed documents to keep in their CACFP files.

6. Recordkeeping Requirements: Per CACFP regulations, sponsors are required to maintain appropriate records to document compliance with Program requirements, including budgets, accounting records, approved budget amendments, management plans, and appropriate records on facility operations. Staff with recordkeeping duties should be trained regarding record retention policies for all CACFP documents. Sponsors must keep all CACFP documents for 3 years plus the current year, this includes old menus, expired IEFs, old attendance records, old meal count records, old monitoring forms, old training documentation, old fiscal records including receipts, invoices, and bank records, and expired enrollment forms.

Civil Rights: Civil Rights training requirements are covered in paragraphs 3 and 4 of the In-House Training section.

State Agency Training

The SA will conduct CACFP training each year. This training is mandatory; every institution participating in the CACFP must ensure that at least 1 staff person attends the annual SA training. The CACFP SA will require attendees to sign in and will follow-up with any institution that fails to attend the mandatory training. A make-up training will be offered to those institutions that failed to attend the annual training. The SA will ensure that all institutions attend the annual training or a make-up training. If an institution fails to attend the annual SA training and subsequent make-up training(s), the SA will begin the process to declare the institution seriously deficient (SD) in the operation of the CACFP.

Civil Rights training is provided each year by the SA via a pre-recorded webinar. CACFP SA staff sends Civil Rights training notification via e-mail in the month of November. The e-mail informs CACFP participating institutions that at least 1 staff member must view the webinar and complete the

accompanying quiz on or before January 31st. The notification e-mail provides links to the webinar and the quiz: **Step 1:** Watch the 30-Minute Civil Rights Webinar: <https://youtu.be/L3UrsCd1UxU>. **Step 2:** Complete the 2023 Civil Rights Quiz: <https://forms.office.com/g/EzbYKQ96hQ>.

Attendance at this training is mandatory and is tracked virtually; the SA will reach out to any institution that does not attend the training and complete the quiz on or before the January 31st deadline. Failure to view the Civil Rights webinar will result in the SA starting the SD process.

MONITORING

Monitors must review menus and disallow any meals and snacks that do not meet the meal pattern requirements and all meals and snacks that were not documented on meal count records by the end of each day. If a meal is observed, monitors must also disallow meals and snacks that do not meet serving size requirements. If meals and/or snacks were claimed for children who do not have a current CACFP enrollment form on-file, those meals and snacks must also be disallowed. Providers must also have attendance records to verify that meal counts were recorded only for children in attendance. If meals and snacks are claimed for children who are not included on attendance records, all the meals and snacks for the days that attendance records do not back up meal count records must be disallowed.

Providers Exceeding Capacity

Monitors should report to Childcare Licensing if they observe a provider exceeding license capacity and/or child/staff ratios. If meal count records show that providers exceeded license capacity during the claim month, the providers must submit in/out attendance records to prove that the capacity was not exceeded at any given time. Meal counts that exceed providers' capacities for any meal, snack, or day and are not accompanied by in/out records must be disallowed.

Household Contacts

Household contacts can be used to verify children's schedules if meal count records repeatedly show more children than a monitor views on-site. Sponsors can use household contacts to identify fraudulent claiming practices. If sponsors discover claiming discrepancies through the household contact process, they can require providers to submit in/out attendance sheets to verify attendance of the children in their care. In/out attendance sheets that are required by a sponsor, after the sponsor finds evidence of fraudulent claiming through the household contact process, must be signed by parents/guardians of the children in attendance to verify attendance each day. This process can be used in-lieu of declaring a provider seriously deficient in the operation of the CACFP if the provider has historically been compliant with CACFP rules and regulations, if the sponsor believes that the fraudulent claiming was a result of the provider's inexperience, or if the sponsor believes that technical assistance will resolve the problem. Sponsors must require written corrective action plans (CAPs) from these providers; the CAPs should include a statement from the providers that they understand that the SD process will be implemented if the finding recurs. Following this procedure of conducting and documenting household contacts and requiring written corrective action plans if the household contacts reveal discrepancies between a child's attendance and documented meal count records provides a paper trail that sponsors can use if the serious deficiency process needs to be initiated. These documents should be provided to hearings officials if providers who have been declared seriously deficient in the operation of the CACFP request a hearing.

It is important that sponsors don't inform parents of the claiming discrepancies that initiated the household contact. Don't indicate anything negative about the providers in communications with parents. Sponsors should tell parents, via phone or via mail, that they are conducting routine household contacts as part of their quality assurance procedures. Including a sentence that says that their participation in the quality assurance study assists the sponsor to ensure that children in the community receive nutritious meals and snacks while in the care of a childcare provider may motivate the parents to return the form.

Household contacts can be conducted by phone or by mail. Calls should be documented with the date that the calls are made and should include the information obtained during the calls. If sponsors choose to mail household contact forms, they should include an explanation of how to complete the forms and a self-addressed stamped envelope in which the form can be returned. Sponsors should include a response due date if household contacts are conducted via mail.

Sponsors must have their own written household contact policies that describe the methods used by the sponsor to conduct household contacts and the discrepancies that would cause household contacts to be initiated.

Document Findings and Comments on Monitoring Forms

Monitors should document findings discovered during a monitoring visit and technical assistance that is given during the visit. Documenting findings on the monitoring forms will help monitors to ensure that providers understand the mistakes that they have made and how to correct the mistakes. Documenting findings and technical assistance on monitoring forms allows monitors to ensure that providers have corrected problems that were discovered during prior monitoring visits.

Some findings require that a follow-up visit be conducted within 2 to 4 weeks of discovery of the findings. Follow-up visits should be unannounced and conducted if a non-compliance issue persists from visit to visit. If issues of non-compliance rise to the level of a provider being declared seriously deficient in the operation of the CACFP, the documentation of the findings on monitoring forms becomes an important part of the sponsor's paper trail.

Documentation of a monitor's findings on the monitoring form is one of the things that the state agency looks for during administrative reviews. Since the SA rarely sees documented findings, it seems apparent that monitors are not documenting problems that are found during monitoring visits. Monitors should view the documentation of findings as a tool to assist providers that need technical assistance rather than as a way to catch providers doing something wrong. The SA understands that there is a delicate balance between being friendly so that the providers are comfortable with monitors coming into their homes 3 times each year and being friends with the providers. Sponsors should work diligently towards obtaining that balance to be able to perform their monitoring duties as required by CACFP regulations.

SERIOUS DEFICIENCY

Sponsors are required to ensure that day care home providers are compliant with CACFP rules and regulations. Providers who are consistently and/or blatantly non-compliant should be declared seriously deficient (SD) in the operation of the CACFP. The SD process gives sponsors a step beyond technical assistance and written corrective action to help providers with repetitive and/or blatant issues of non-compliance continue to participate in the CACFP. The SD process can be used to remove a provider from

CACFP participation, but it can also be used to motivate providers to comply with CACFP rules and regulations.

If monitors observe anything on-site that could compromise the health and/or safety of the children and/or the public, they must report the problem to Licensing and suspend the providers' CACFP participation. Licensing should be notified via a phone call if the danger is imminent; monitors must ask Licensing if they should remain on-site until a Licensing representative arrives. The suspension process is used to immediately stop providers from participating in the CACFP, it is an emergency SD and is explained in the SD handbook.

The process of declaring a provider seriously deficient in the operation of the CACFP is not complex, but it requires that specific steps are taken and that specific timelines are followed. Sponsors should refer to the SD handbook before beginning the SD process and can reach out to the state agency with questions. The SD handbook can be found on the FNS website through the following link: [Serious Deficiency Suspension and Appeals Handbook \(azuredge.us\)](https://www.azuredge.us/Serious-Deficiency-Suspension-and-Appeals-Handbook). The handbook contains detailed information about the SD process, including prototype letters that sponsors can modify for their use throughout the SD process.

DISBURSEMENT

Sponsors are required to disburse the full payment due to each provider within 5 business days of receiving the funds from the State Agency (SA). The SA will ask to see proof of disbursement when they conduct administrative reviews. Quarterly disbursement reports cannot be used as proof of disbursement; the SA will need to see copies of bank records and/or copies of the sponsors' fiscal records as proof of disbursement when they conduct administrative reviews.

It is necessary to keep records that detail when funds are received by the sponsor and when funds are disbursed to providers so that sponsors can submit a quarterly disbursement report to the SA. The SA sends reminders via e-mail for the submission of the disbursement reports in the month prior to the month in which the report is due. The first quarter report is due on or before January 31st, the second quarter report is due on or before April 30th, the third quarter report is due on or before July 31st, and the 4th quarter report is due as soon as the September funds have been received and disbursed.

Although some sponsors have regularly submitted disbursement reports that include each quarter of the year to date, some have submitted disbursement reports that list only the months included in each quarter. Starting with the 2023 agreement year, all sponsors should submit disbursement reports that include the quarter being reported as well as all prior quarters for the agreement year. The first quarter report should include the months of October, November, and December and should include the dates for each of the 3 months that the sponsor received the funds from the SA and the date that the funds were disbursed to providers. The second quarter report should include the months of October, November, December, January, February, and March and should include the dates for each of the 6 months that the sponsor received the funds from the SA and the date that the funds were disbursed to providers. The third quarter report should include the months of October, November, December, January, February, March, April, May, and June and should include the dates for each of the 9 months that the sponsor received the funds from the SA and the date that the funds were disbursed to providers. The fourth quarter report should include the months of October, November, December, January, February, March, April, May, June, July, August, and September and should include the dates

for each of the 12 months that the sponsor received the funds from the SA and the date that the funds were disbursed to providers.

The reports for the first 3 quarters should be submitted on or before the due dates and the sponsor can write “not yet received” and/or “not yet disbursed” for any months for which funds have not yet been received and/or disbursed. The fourth quarter report should be submitted as soon as possible but not before the funds for every month of the agreement year have been received and disbursed.

ANNUAL REQUIREMENTS

Appeals Procedures

The state agency (SA) emails appeals procedures to all institutions that contract with the CACFP SA each year in the month of September. Sponsors should read the appeals procedures and keep them with their CACFP files.

Sponsors are also required to annually distribute appeals procedures to the day care homes that they sponsor. These appeals procedures must be specific to their institutions. Sponsors can use the SA appeals procedures as a guideline for creating their own appeals procedures. A sample appeals procedure document is included in the attachments section of this guidance. Sponsors who choose to use the sample appeals document should read it carefully to ensure that it aligns with the policies and procedures of their institution. The sample requires that sponsors fill in the name of their institution and the title and mailing address of the institution’s appeals officer, the fields that require information are in bold type and italicized.

The SA will require proof of distribution of the annual appeals procedures document as part of the administrative review. Sponsors must provide the appeals procedures each year and employ a method by which to record the date of distribution and the recipients of the document. The simplest ways to document the distribution would be to either set up a contact list in sponsors’ e-mail accounts or to disburse the appeals procedures during in-person trainings and to have the providers sign a form to attest that they received a copy of the appeals procedures. The e-mail method of distribution requires that sponsors print proof of the e-mail recipients and the date that the e-mail was sent. The in-person method will require that sponsors print hard copies of the document. When hard copies are distributed at in-person trainings, the attestation document must include the date that the appeals procedures were provided and the signatures of all providers who received the document. Sponsors must have documented proof that all providers in their sponsorship annually receive the appeals procedures; if sponsors choose to provide the appeals procedures at in-person trainings, they must ensure that any providers who do not attend in-person trainings where appeals procedures are distributed receive the document. This could be done during make-up trainings or during monitoring visits; if this method is used, be sure to get the signature of these providers on a dated record that attests that they received the document. Mailing the appeals procedures would be a costly method of distribution and would require that the providers sign and return a statement that they received the appeals procedures.

PROCUREMENT GUIDANCE

The state agency sends procurement guidance via e-mail each year in the month of October. All staff persons who use CACFP funds to purchase goods or services must read the procurement guidance and document that they have done so by creating an agenda listing procurement as a training topic and signing and dating a sign-in sheet to verify that they have completed procurement training. Purchases below the micro-purchase threshold of \$50,000 should follow the procurement guidance of “sharing the wealth” by dividing purchases between more than 1 vendor (if more than 1 viable vendor exists). Single purchases at or above the micro-purchase threshold of \$50,000 must be made using the small purchase method of procurement. Procurement guidance for small purchases explains that staff person with purchasing duties for a single purchase at or above the threshold of \$50,000 must obtain 3 quotes for the item being purchased. The 3 quotes can be obtained by making phone calls and documenting the date, price, and other relevant details for each quote. The winning quote should be accompanied by an explanation of why the vendor was chosen. Most DCH sponsors do not make any single purchase of \$50,000, since the funds that they receive are used to administer the CACFP in the homes that they sponsor. NOTE: Some sponsors of centers purchase prepared meals from a vendor. If a center sponsor purchases prepared meals from a school (SFA) or a food service management company (FSMC) the price of the contracted meals for the entire year must be considered as a single purchase. These contracts often require small purchase procurement methods. The CACFP state agency will ask to see documented procurement training and proof of proper procurement methods for single purchases of \$50,000 or more as part of the administrative review.

CARRYOVER

If DCH sponsors do not use all of their administrative funds in the year to which they pertain, they are allowed to carry over a maximum of 10% of the total administrative funds received for the agreement year (For the months of October through September) into the next agreement year. If a sponsor receives administrative funds in a year in which they were not earned, those funds should be excluded from the total administrative funds used to calculate maximum carryover. Administrative funds that are carried from 1 year into the next year should be the first money spent during the year into which the funds are carried. Sponsors are not required to carry over any unspent funds but may, at their option, return them to the State Agency (SA).

The SA sends the carryover worksheet to sponsors via e-mail each year in early September. The e-mail explains that the carryover worksheet should be completed and returned via e-mail to the SA on or before November 1st. Sponsors should attempt to submit claims in a timely manner so that they can receive their administrative funds for the entire year and be able to submit the carryover report on or before the due date; however, the carryover report should not be submitted until all administrative funds for the agreement year have been received. Most sponsors use all of their administrative funds and supplement those funds with other unrestricted funding sources to cover the expenses incurred in the administration of the CACFP in the homes that they sponsor. Every sponsor must complete and submit the carryover worksheet to the SA, even if their carryover amount is \$0.00.

The carryover worksheet includes instructions for form completion. The first tab at the bottom of the carryover sheet opens the worksheet where sponsors report the total CACFP administrative

reimbursement received in the year as well as the actual expenses incurred to administer the CACFP in/for the homes that they sponsor.

4	Please complete the Prior and Current Fiscal Year columns.			
5	Data Elements Required	PFY	CFY	FY
6	Administrative Reimbursement Received - Current Fiscal Year (CFY) (note 1)	\$0	\$0	\$0
7	Carryover Reimbursement - Prior Fiscal Year (PFY) (note 2)	\$0	\$0	\$0
8	Total Reimbursement Available for CFY (note 3)	\$0	\$0	\$0
9	Actual Documented Administrative Costs for CFY (note 4)	\$0	\$0	\$0
10	CFY Cash Balance (note 5)	\$0	\$0	\$0
11	Maximum Carryover Allowed (note 6)	\$0	\$0	\$0
12	Unexpended Cash Balance to be Repaid to State agency (notes 7 & 8)	\$0	\$0	\$0
13				
14	Data Entry Fields			
15	Calculated Fields			

As you can see in the figure above, data entry fields are pink and calculated fields are blue. Sponsors should look at the current fiscal year (CFY) column on the carryover worksheet that they submitted in the prior year and enter those numbers in the PFY column for the current carryover worksheet. (i. e. If the carryover worksheet that needs completion is for the 2021-2022 year, sponsors would look at the CFY column on the carryover worksheet that they submitted for the 2020-2021 year and enter those amounts in the PFY column for the 2021-2022 year).

The next step is to complete the CFY column. Sponsors must enter the total administrative reimbursement received in the current fiscal year (CFY) on line 6 of the worksheet. Do not include funds that are received in the CFY but apply to the prior year; the year should include administrative money received for the months of October through September.

If a sponsor has carryover from the prior year (line 11 of PFY column) the carryover amount should be entered on line 7 of the current fiscal year column. The current fiscal year is the most current fiscal year that has just ended. The worksheet will add the total administrative reimbursement received in the CFY and the funds carried into the CFY from the prior year; the result is the total amount of administrative funds available to the sponsor in the CFY, the total will auto-populate on line 8. Most sponsors do not have carryover and can leave line 7 as is.

Sponsors then enter the actual administrative expenses incurred during the CFY and enter that total on line 9; if expenses exceed the administrative funds received, the result on line 10 will be a negative number. If the result on line 10 is \$0.00 or a negative number, the sponsor has \$0.00 carryover, the worksheet is complete and can be submitted to the SA via e-mail.

If the sponsor has administrative funds that were not expended, the total amount of unexpended funds will show on line 10; if the amount on this line does not exceed the amount on line 11, this is the amount that the sponsor can carry over. Line 11 calculates 10% of the total on line 8 and displays the maximum amount of money that can be carried into the next year.

Line 12 will show the amount of funds in excess of the maximum allowed carryover amount. If the amount on line 10 is greater than the amount on line 11, the result on line 12 is the amount that the sponsor must return to the SA.

Sponsors with administrative funds being carried into the next agreement year must complete the carryover balance sheet (the second tab at the bottom of the worksheet). (see figure below).

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REIMBURSEMENT EARNED FY_____

TOTAL EXPENDITURES FY_____

CARRYOVER BALANCE _____ \$0

CARRYOVER EXPENDITURES

Item _____

Item _____

Item _____

Item _____

Item _____

Item _____

Total: _____ \$0

CARRYOVER FY20-21 SAMPLE CARRYOVER BALANCE SHEET

Completion of the balance sheet requires that the sponsor enter the federal year (FY) and the administrative funds received in the year on line 4, and the FY and the total administrative expenses for the year on line 6. The balance sheet will subtract administrative expenditures from administrative reimbursement, and the result will auto-populate on line 8. IMPORTANT: If the result on line 8 is greater than 10% of the administrative reimbursement amount entered on line 4, the amount in excess of that 10% must be returned to the SA. In cases where excess funds must be returned, the total carryover on line 22 should not exceed the maximum allowed carryover (line 4 multiplied by 10%). Carryover funds can be used to pay administrative expenses incurred for the

administration of the CACFP in sponsored day care homes. Sponsors should list the ways that they plan to use the carryover funds by entering each planned expense description (i. e. wages) beside of “Item” and the dollar amount of each expense on the line to the right of each listed item. The total on line 22 should equal the amount of a sponsor’s carryover.

The sponsor then must complete, sign (a typed signature is fine), and date the balance sheet. (see figure

27	I CERTIFY THAT THIS BUDGET HAS BEEN APPROVED BY THE CACFP STATE AGENCY BEFORE CARRYOVER IS SPENT.
28	I CERTIFY ALL FY_____ CARRYOVER WILL BE SPENT BY SEPTEMBER 30, _____, AND THAT THE CACFP STATE
29	AGENCY WILL BE NOTIFIED WHEN CARRYOVER SPENDING IS COMPLETED.
30	
31	I CERTIFY ALL EXPENDITURES AND CARRYOVER INFORMATION WILL BE ON FILE AND ACKNOWLEDGE
32	THAT THE REVIEW OF THIS INFORMATION IS PART OF THE CACFP STATE ADMINISTRATIVE REVIEW PROCESS.
33	
34	
35	AGENCY SIGNATURE: _____ APPROVED: _____
36	DATE: _____ DATE: _____

to the left). The SA will review the proposed expenses to ensure that they are reasonable, allowable, and necessary for the administration of the CACFP. If any proposed

expense is not allowed, the SA will return the carryover spreadsheet via e-mail so that the sponsor can revise the balance sheet. The e-mail will explain which expense item(s) are not approved so that the sponsor can propose another way to use the funds. If the proposed expenses are reasonable, allowable, and necessary, the SA will sign and date the balance sheet and return the signed spreadsheet via e-mail for the sponsor’s records.

Sponsors with carryover must revise the DCH budget portion of their agreement in CNPweb to include the carryover funds as revenue (Line 2 of the DCH budget in the column titled “Proposed Budget New Fiscal Year”.

Sponsors with carryover must report how and when the funds were spent on or before September 30th. It is important to use the carryover to pay expenses for the items listed, and in the amounts listed, on the balance sheet. Since carryover is supposed to be the first money spent in the year into which it is carried, there is no need to wait until September to report how and when the carryover was expended;

but the SA will send a reminder via e-mail in early September to remind sponsors with carryover from the prior year to report how and when it was spent.

AGREEMENT RENEWAL

CACFP agreements must be renewed each year. The state agency (SA) sends a reminder via e-mail each year in early June; the e-mail has information about agreement completion, including the submission deadline. Institutions should make every effort to submit their agreement on or before the deadline so that state agency staff will have time to process the agreements before the start of the next agreement year.

Sponsors should begin working on their agreements as soon as they receive the e-mail notifying them that it is time to renew their agreements. The e-mail specifies which SA staff person will be processing each agreement. Institutions should address all agreement-related questions to the person who will process their agreement. This person will continue to be the contact person for the institution until the agreement is approved.

Each year the SA asks 1/3 of the CACFP institutions to update everything in their agreement (the 1/3 of the institutions updating everything changes each year so that all institutions are updating everything every 3 years). This involves uploading more documents than the 2/3 of the institutions that are not required to update everything. The SA carefully reviews the entire agreement of the institutions that are required to update everything. This frequently results in these agreements requiring more corrections before they can be approved. The SA checks only the changes made to the agreements of the institutions that are not required to update everything, but these agreements must also be updated with changes and should be reviewed carefully by each institution before the agreements are submitted.

Agreements should be updated regularly throughout the agreement year as changes are made to staff, procedures, contact information, etc.

BUDGET REVISION

Sponsors must track CACFP income and CACFP administrative expenses separately from the income and expenses for all other funding sources. Budgets should be updated throughout the year if the amount budgeted for any line item changes by 15% or more.

ATTACHMENTS

Sample Appeals Document

CACFP Procedures To File An Appeal

In accordance with 7 CFR Part 226, the Federal Regulations governing the USDA Child & Adult Care Food Program (CACFP), the following procedure is to be followed by a day care home provider wishing to contest an adverse action taken by **(Name of Sponsor)**. This procedure complies with regulations found in Federal Regulations at 7 CFR Part 226 and with the State of Maine Administrative Procedures Act, 5 M.S.R.A. §§ 8001-9064.

A. Actions That May Be Appealed:

In accordance with 7 CFR Part 226, a provider may appeal the following adverse actions:

1. Denial of a provider's request to participate in the USDA Child & Adult Care Food Program.
2. Termination of a provider.
3. Denial of all or part of a claim for reimbursement (except for late submissions under 7 CFR Part 226, Subpart D – Payment Provisions, § 226.10(e)).
4. Demand for the remittance of an overpayment (including audit recalls).
5. Any other action affecting the participation of a provider in the CACFP or a provider's claim for reimbursement.

B. Manner of Filing a Request for a Hearing:

A CACFP provider aggrieved by an adverse action of the day care home sponsor or by the findings observed during a monitoring visit may appeal such action by filing a timely request for a hearing on or before the 15th calendar day after receipt of the notice of adverse action. The date that the provider's hearing request is postmarked by the public/private postal service agency shall be considered to be the date of the request.

A request for a hearing resulting from an adverse action initiated by the day care home sponsor shall be mailed to, or filed with, **(Title and mailing address of your institution's fair hearings official)**. A request for a hearing resulting from an adverse finding or conclusion resulting from a monitor's observations should be submitted to the day care home sponsor listed on the sponsor/home agreement.

1. The request shall be in writing.
2. The request must contain the name and address of the provider and the name and title of the person who signed the hearing request.
3. The request must be signed by the provider.
4. A provider who files an appeal and request for a hearing shall be afforded the opportunity to examine and copy the information in the sponsor's files upon which the adverse action was based.
5. A provider may represent herself/himself during the hearing process, may be represented by legal counsel, or may be represented by another person at the provider's expense.

Upon receipt by the sponsor, the request for a hearing will be assigned to a Fair Hearings Officer. The Fair Hearings Officer shall be an independent and impartial official who is not accountable to the decision-making authority.

C. Content Of A Request For A Hearing:

1. A request for a hearing must clearly identify the adverse action being appealed.
2. The request must identify the basis of the provider's appeal and the relief or remedy being sought.
3. The request must cite the date of the letter or other such written communication from the sponsor which notified the provider of the proposed adverse action.
4. The request must include the name and title of the person who signs the letter or communication requesting the hearing.
5. A provider may submit written information in support of their position along with the hearing request or the provider may state that they intend to submit additional written information to the designated Fair Hearings Officer. If written information is to be submitted by the provider, they must do so within 30 calendar days after receipt of the sponsor's notice of adverse action.

Serious Deficiency (SD) notifications will be sent to providers using the 'Certified Mail, Return Receipt Requested' method. The date the provider signs the 'Return Receipt' shall be considered to be the first day of the period allowed for submission of a request for a hearing and for submission of additional documentation.

Any other notices of adverse action which may become the basis for a request of a hearing will be sent to providers via email. The date the notification is sent via email shall be considered to be the first day of the period allowed for submission of a request for a hearing and for submission of additional documentation.

D. Hearing and Decision

If a hearing is requested, the provider and the sponsor must be provided with at least 10 days advance notice of the time and the place of the hearing.

The administrative review official must make a determination based solely on the information provided by the sponsor and the provider, and based on the Federal and State laws, regulations, policies, and procedures governing the program. The decision must be issued within 60 days of the sponsor's receipt of the request for the administrative review. The determination made by the administrative review official is the final administrative determination.

Household Contact Procedures for Sponsoring Organizations

Purpose: To provide a system for sponsoring organizations to use to conduct household contacts when there have been discrepancies between attendance, enrollment, observations and meal participation.

Scope and Definition: Household contact means contact made by a sponsoring organization or the State agency to a parent/guardian of a household regarding a participant enrolled in the CACFP. The purpose of the contact is to verify the attendance and enrollment status of the participant and the specific meal service(s) usually received while in care.

(Name of Sponsor) will contact households when one or more of the following occur:

- Meal counts are inconsistent with attendance records.
- A large number of weekend, night-time and/or holiday meals are claimed.
- Prior five-day meal counts are significantly higher than attendance observed on the day of review.
- A significant number of meals claimed do not correspond with information provided on the enrollment form.
- Other concerns or inconsistencies noted by the sponsoring organization monitor.

Procedure:

(Name of Sponsor) will use the following procedures to conduct household contacts:

- Ensure that enrollment forms include a section for parent/guardian contact information and require that the information be complete.
- Determine if household contact will be conducted by telephone or by USPS mail.
- If conducting contact via mail, send a household contact letter asking the household to complete a questionnaire, a questionnaire form that shows a response due date, and a self-addressed, stamped envelope. The household contact items will be sent via USPS certified mail.
- The response deadline for return of the questionnaire will be within 5 business days of receipt.
- If conducting contact by phone, complete a call log and document the date the calls are made, the names of the persons who answer the household contact questions being asked by the sponsor, and the information obtained during the calls.
- A copy of the call log will be kept on file and include the names of all sponsoring organization staff who worked on the household contact.
- Information submitted by the household will be analyzed by the sponsoring organization within one week of receipt.
- If it is determined that a provider is not in compliance, the sponsoring organization will determine any corrective action that will be required and if the provider is Seriously Deficient in the operation of the CACFP (*see Seriously Deficient Process*).
- Follow-up with providers within one week of the determination and ensure that all corrective action is timely.
- Ensure that households are not informed of the reasons for the household contact; households will be told that the questionnaire is part of a routine quality assurance study.