CACFP-238

Subject: Child and Adult Care Food Program (CACFP) - Conflict of Interest

To: STATE AGENCY DIRECTORS - Colorado DH, Iowa, Kansas, Missouri DH, Montana DHES, Nebraska ED, North Dakota, South Dakota, Utah and Wyoming ED
(Special Nutrition Programs)

As you are aware, CACFP Regulations outline requirements for procurement standards. Part 226.22(d) and (g) are specific that there can be no organizational conflicts of interest, real or apparent, in awarding contracts supported by Federal funds.

Because of our recent direct involvement with multi-state sponsors and occasional questions from States, we feel it is appropriate to remind you of these provisions, especially as it relates to Boards of Directors for CACFP institutions and the role that Boards often have in approving contracts/services for CACFP institutions. In the past, we have been aware that Bylaws/organizational structures allow employees, officers, family members of employees, etc., to be members of the Board.

Although your Agency may not routinely look at Board structures nor require institutions to submit information on this, you may want to pursue this issue further. If there are potential conflicts of interest in procurement, you have every responsibility to discuss this and have the institution(s) correct it.

We bring this to your attention for any action you deem necessary. If you discover a potential conflict, you may want to discuss it further with your State legal or contracting staff.

Ann C. Hector
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Regional Director
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