Reply to CACFP-631

Subject: Monitoring Requirements for Sponsoring Organizations (SOs) in the Child and Adult Care Food Program (CACFP)

To: STATE AGENCY DIRECTORS - (Child Nutrition Programs)

Colorado DPHE, Iowa, Kansas, Missouri DH, Montana DPHSS, Nebraska ED, North Dakota, South Dakota, Utah and Wyoming

There are still some State agencies (SAs) and SOs which believe that Section 243(b)(2) of the Agricultural Risk Protection Act of 2000 (ARPA) made substantive changes to the current monitoring requirements for SOs set forth at Section 225.16(d)(4) of the Regulations. The purpose of this memorandum is to reiterate the information provided to you earlier.

The ARPA made one substantive change to sponsor monitoring requirements which added specified minimum sponsor and SA monitoring requirements to the statute. The law requires the Department to develop a policy that:

(I) requires periodic unannounced site visits at not less than 3-year intervals to sponsored child care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program;

(II) requires at least one scheduled site visit each year to sponsored child care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program and to improve program operations, and;

(III) requires at least one scheduled visit at not less than 3-year intervals to SOs and nonsponsored child care centers to identify and prevent management deficiencies and fraud and abuse under the program and to improve program operations.”
By requiring that at least one unannounced visit be made to each sponsored facility within a 3-year period, ARPA requires there to be some level of mandatory unannounced visits to sponsored facilities. However, as clarified in the floor statement accompanying passage of ARPA, the Department of Agriculture must still use its experience to establish the minimum review requirements for CACFP.

None of our experience suggests that a reduction in monitoring by CACFP SOs is appropriate. Although we have proposed (65 FR 55101, September 12, 2000) additional flexibility in several of the details relating to sponsor monitoring requirements, that proposal still would require sponsors to perform an average of three reviews per year per sponsored facility. Furthermore, the interim rule, which will implement the provisions of ARPA, will include a level of required unannounced visits that exceeds the minimum level of unannounced visits mandated by ARPA.

Therefore, with regard to review and approval of sponsors’ management plans and budgets for Fiscal Year (FY) 2001, SAs should not approve any sponsor’s management plan which does not contemplate the continued performance of an average of at least three visits to each sponsored facility in FY 2001.

If you have any questions, please contact our staff at (303) 844-0359.

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