# CACFP Annual Sponsor Training

*Online Course Workbook*

**Child Nutrition**
TOOLBOX

# INTRODUCTION

*This workbook supplements the online training "Child and Adult Care Food Program (CACFP) Annual Training." This training is offered by the Pennsylvania Department of Education at their Child Nutrition Toolbox website here: http://childnutritiontoolbox.com.*

## OVERVIEW OF LESSONS

**Lesson 0: Course Overview**

**Lesson 1: Performance Standards**

**Lesson 2: Civil Rights**

**Lesson 3a: Meal Service Planning**

**Lesson 3b: Meal Components and Patterns**

**Lesson 4a: Annual Institution and Facility Documentation**

**Lesson 4b: Participant Eligibility**

**Lesson 4c: Meal Counting and Documentation**

**Lesson 5: Financial Management and Maintaining a Nonprofit Food Program**

**Lesson 6: Program Oversight and the Serious Deficiency Process**

# LESSON 1

## By the end of this lesson, you will be able to...

1. Recognize the Performance Standards that guide the Child and Adult Care Food Program.
2. Identify the main criteria necessary to demonstrate Performance Standard 1: Financial Viability and Financial Management.
3. Identify the main criteria necessary to demonstrate Performance Standard 2: Administrative Capability.
4. Identify the main criteria necessary to demonstrate Performance Standard 3: Program Accountability.

## REMEMBER THIS

- The three CACFP Performance Standards include Financial Viability and Financial Management, Administrative Capability and Program Accountability.

- To demonstrate Financial Viability and Financial Management, Performance Standard 1, sponsors need to document that all CACFP funds have been expended and accounted for in accordance with regulations, the Financial Management Instruction, and all applicable audit regulations.

- In order to meet Performance Standard 2, Administrative Capability, sponsors must have program policies and procedures in writing, a well-thought-out management plan, an adequate qualified staff and policies in place to ensure compliance with civil rights standards.

- Performance Standard 3, Program Accountability, requires the state agency to assess four major areas including governance of the CACFP, fiscal accountability, recordkeeping systems and meal service operations.

- The most important step when implementing the Performance Standards in your program is to honestly review current practices and procedures.

# LESSON 2

### By the end of this lesson, you will be able to answer...

1. What are civil rights?
2. Who is required to have civil rights training?
3. Why are civil rights important?
4. What are your responsibilities as a sponsor?

### REMEMBER THIS

- Adherence to civil rights laws ensures that all participants have equal access to the benefits and services of the program, and that there are no barriers to participation.

- Your specific civil rights responsibilities as a CACFP sponsor include:

  - Collection and Use of Data
  - Effective Public Notification Systems
  - Complaint Procedures
  - Compliance Review Techniques
  - Resolution of Noncompliance
  - Requirements for Reasonable Accommodations of Persons with Disabilities
  - Requirements of Language Assistance
  - Conflict Resolution
  - Customer Service

- When we strive to meet everyone's needs through providing service to all our customers, we often find that we are already in compliance with the Civil Rights requirements for Child Nutrition Programs.

# LESSON 3a

**By the end of this lesson, you will be able to...**

1. Understand the meal service requirements in the CACFP.
2. Identify special dietary requirements in the CACFP.
3. Summarize CACFP menu planning basics.

## REMEMBER THIS

- CACFP facilities need to plan to provide one meal per child or adult for each approved meal type. The meal types are breakfast, lunch, supper and snack.

- The number of meals, or meals and snacks that can be served to participants vary based on the type of program.

- Sponsors must select the meals to be served at each site, and have them approved in PEARS.

- Sponsors are required to make modifications to menus when a physician declares a special dietary need that results in a disability for a participant.

- Meals should be enjoyable as well as nutritious. Consider eye appeal, variety and the age of the participant you'll be serving when planning your menus.

# LESSON 3b

## By the end of this lesson, you will be able to...

1. Recognize the standard meal pattern requirements for the CACFP.
2. Identify the minimum quantities of the required food components by age group.

## REMEMBER THIS

- Getting to know the meal patterns and components will help you plan well-balanced, nutritious meals and snacks to meet the nutrient and energy needs of the children or adults in your care.

- The CACFP meal pattern for breakfast requires fluid milk, a bread or grain product and a fruit or vegetable.

- For snacks, choose two of the four components of fluid milk, a bread or grain product, a fruit or vegetable or a meat or meat alternate.

- The CACFP meal pattern for lunch and supper requires fluid milk (except for adults at supper), two servings of fruits and vegetables, a meat or meat alternate and a bread or grain serving.

# LESSON 4a

### By the end of this lesson, you will be able to...

1. Identify annual records required to document continued institution and facility eligibility to participate in the CACFP.

### Activity: Permanent Records

Take a few minutes to verify that your required documentation is available for review. Then write down in the space below where those permanent records are filed.

_____

_____

_____

### REMEMBER THIS

- Next to caring for participants, recordkeeping is your most important task.
- The first level of eligibility involves determining that the agency, referred to as an institution or sponsor, applying to participate meets eligibility requirements.
- In addition to determining an institution's eligibility, all site facilities participating in the CACFP also have to meet eligibility requirements.
- Training documentation has to show that all key staff have received annual training on all required training topics, or for all topics that apply to their assigned CACFP duties.
- All records must be available for administrative reviews, announced or unannounced, and maintained for three years plus the current fiscal year.  Permanent records must always be on file.

# LESSON 4b

## By the end of this lesson, you will be able to...

1. Identify the records that must be collected and maintained for participants in the CACFP.

## REMEMBER THIS

- The records required to document participant eligibility include enrollment forms, Meal Benefit Income Eligibility Applications, or documentation showing that participants are eligible to participate in centers where area eligibility applies.

- When required to complete meal benefit income eligibility forms, specific required fields on the Meal Benefit Income Eligibility Applications need to be completed by all households of participants in care.

- After the Meal Benefit Income Eligibility Applications are completed and returned to the institution, institutions need to determine the eligibility category for meals served.

# LESSON 4c

## By the end of this lesson, you will be able to...

1. Identify the records and edit checks required to support meals claimed for CACFP reimbursement.

2. Understand the electronic application and reimbursement, PEARS, and the records it retains.

## REMEMBER THIS

- The required meal documentation includes attendance records, meal counts and menus.

- Meal counts and attendance require two separate counts.

- You can use meal counts to calculate attendance but you can't use attendance records to calculate meal counts.

- Infants require an additional form entitled Infant Enrollment Form.

# LESSON 5

**By the end of this lesson, you will be able to…**

1. Understand the key elements of an effective financial management system.

2. Identify expenditures that are claimed as operating costs and administrative costs and what limits and conditions impact allowable costs.

3. Understand the claiming process.

4. Clarify what is meant by "nonprofit food service program."

5. Determine if your institution is running a nonprofit food program.

6. Identify the records required to document the nonprofit food service program.

7. And understand what to expect if the nonprofit food service program can't be documented.

# Costs Requiring Additional Approvals
## Approval for Costs in the CACFP

All expenses/costs claimed by institutions participating in the Child and Adult Care Food Program (CACFP) must be approved prior to being incurred. Generally, most costs are approved through the annual budget process, and subsequent budget amendments. However, some costs require additional levels of approval in order to be paid through CACFP funds.

Costs requiring "Specific Prior Written Approval" are those identified by USDA that require the individual line item approval by the state agency. This approval must be in writing and must be for a specific cost. For example, the state agency can approve a line item for travel that includes monitors mileage, staff travel to conduct training sessions, or travel to deliver food to sites. However, conference travel cannot just be included in the travel line item, but must receive additional approval from the state agency.

In some cases, the state agency's approval is not the last step of the approval process. There are costs that require USDA Regional Office approval. The attached chart identifies costs where Specific Written Approval and USDA approval is required. For additional information, institutions should refer to the Financial Management Instruction for the CACFP: FNS Instruction 796-2, Revision 4.

# Operating Costs

**There are five categories for operating costs:**

1. Food and related costs
2. Supplies and labor
3. Food preparation facility expenses
4. Food delivery
5. The general "other cost" category

**Let's look at each category:**

- Food and related costs include the actual meals you serve—vended or self-prepared.
- In the supplies and labor category, you'll find non-food supplies; salaries, wages and benefits for the staff overseeing the meal service and food preparation staff; and vendor costs.
- The facility expenses category relating to food preparation
- The food delivery category is where you'll report your delivery costs for food.
- The general other cost category may include food preparation equipment under the threshold where equipment must be depreciated, or other miscellaneous costs relating to food preparation.

You need to make sure your vendor costs are well-documented. As far as operating costs go, your daily meal counts, attendance, delivery slips, and monitoring reports will be the best basis for validating your vendor contract costs.

You can find more information about administrative and operating costs, activities and documentation in the Administrative Guidance. Or you can go right to the source and check out the Financial Management Instruction for the CACFP: FNS Instruction 796-2, Revision 4.

# Administrative Costs

**All administrative costs are divided into four categories:**

1. Salaries
2. Office supplies and related support expenses
3. Travel for administrative staff and monitors
4. A general "other cost" category

In the salaries category, you'll find the salaries, wages and benefits for the director and assistant director as well as any clerical and financial support and monitoring staff. In the office supplies and support expenses category, you'll find costs for renting offices, office equipment, office supplies, telephones and internet services, and costs to print any forms used in the program. The travel for administrative staff and monitors category includes vehicle costs, tolls, parking, costs to attend training and any mileage reimbursement.

**Here a few examples of what you might include as other administrative costs in the "other costs" category:**

- Contracted accounting
- Audits
- Maintenance agreements for equipment

These lists are just examples and they're not intended to be exhaustive. If you're ever unsure about whether a cost is allowable, or if it's an administrative or operating cost, just contact your state agency to clear it up.

# 2015-2016 CACFP Reimbursement Rates

The following rates of reimbursement are effective July 1, 2015, through June 30, 2016.

**Rates per meals served in adult day care centers and child care centers**

|  | Breakfast | Lunch/Supper | Snacks |
|---|---|---|---|
| **Paid** | $0.29 | $0.29 | $0.07 |
| **Reduced** | $1.36 | $2.67 | $0.42 |
| **Free** | $1.66 | $3.07 | $0.84 |

The cash-in-lieu value of commodities for FY 2016 is $0.2375. Cash-in-lieu only applies to lunch and supper meals.

**Rates for At-Risk Afterschool Meals**

|  | Breakfast | Lunch/Supper | Snacks |
|---|---|---|---|
| **Free** | $1.66 | $3.07 | $0.84 |

The cash-in-lieu value of commodities for FY 2016 is $0.2375.

**Rates per meals served in day care homes**

|  | Breakfast | Lunch/Supper | Snacks |
|---|---|---|---|
| **Tier 1** | $1.32 | $2.48 | $0.74 |
| **Tier 2** | $0.48 | $1.50 | $0.20 |

**Administrative rates for sponsoring organizations of day care homes (per home per month)**

| | |
|---|---|
| Initial 50 Day Care Homes (1 through 50) | $111.00 |
| Next 150 Day Care Homes (51 through 200) | $85.00 |
| Next 800 Day Care Homes (201 through 1000) | $66.00 |
| Additional Day Care Homes (1001 and over) | $58.00 |

## REMEMBER THIS

- In order for costs to be allowable, they must be reasonable and necessary and directly related to the CACFP.

- Financial management systems safeguard CACFP funds against unauthorized or unallowable use.

- Operating costs include the costs necessary to buy, prepare and serve eligible meals to enrolled, eligible participants.

- Administrative costs are costs related to planning, organizing and managing the CACFP.

- 15% of the reimbursement center-based institutions receive for meals served may be retained to cover administrative costs, and home sponsors receive administrative funds to cover administrative costs.

- The claim for reimbursement summarizes meal counts and attendance records and requests reimbursement from the state agency.

# LESSON 6

## By the end of this lesson, you will be able to...

1. Distinguish between the various levels of program oversight in the CACFP including monitoring of sites.

2. Identify the factors involved in determining a serious deficiency.

3. And recognize how a serious deficiency impacts CACFP participation.

## REMEMBER THIS

- The four levels of program oversight include the review of applications and claim documentation, administrative reviews, audits and management evaluations.

- Program oversight begins with sponsor staff, who make sure both independent sites and sponsored sites are keeping the required records and documentation and following CACFP regulations.

- When an individual or institution is unwilling or unable to correct problems found that seriously open the program to administrative or financial mismanagement, it's called a serious deficiency.

- Once a Serious Deficiency Notice is issued, there are only two possible outcomes: either its corrected and the notice is set aside or it's not corrected and the state agency issues the Notice of Proposed Termination and Disqualification.

- Multifaceted program oversight is designed to help you and all program participants remain in compliance and operate successful Child and Adult Care Food Programs.