

CACFP Family Day Care Home Sponsors

GENERAL INSTRUCTIONS

Agreement

All sponsors should carefully read the agreement before signing. Send the required items as indicated on the checklist. Keep a copy for your records.

Governing Boards

It is recommended that the board consists of at least five members and that the board members are not related to each other and are not participating in the Child and Adult Care Food Program (CACFP).

The board of directors, comprised of people with interests in the development of both the organization and the community, provides critical oversight and accountability to your institution. One of the major responsibilities of the board is to ensure compliance with regulatory requirements.

The board of directors has many responsibilities. These include ensuring effective organizational planning; ensuring adequate resources to fulfill the organization's mission; and ensuring those resources are managed effectively. Because of the governing board's critical role in ensuring an organization's accountability, it is essential that the governing board be apprised of its role in the management of the CACFP.

Information to Gather from Principals (Form SPI 1576)

Sponsors need to establish a method of collecting relevant information from all of the principals. To help sponsors collect the information regarding past performance and criminal convictions, as well as the principals' dates of birth, a prototype letter to board members, managers, supervisors, and corporations and a sample form to be completed by the individual is attached. All sponsors must keep these forms on file. Do not send them to OSPI.

Agreement (Form SPI FDCH 1136A)

The agreement must be approved and signed by the president of the board of directors or the individual who can legally bind the organization to an agreement as designated by the board of directors. If the board of directors has designated this task to the director, board minutes must be on file reflecting this authority. The state agency must have a copy on file reflecting this authority.

User Authorization (Form SPI CACFP 1136 AUTH SIG)

The user authorization form reflects those individuals who are authorized to submit claims electronically or make changes to the agreement. If an individual leaves the organization, a revised form must be submitted removing their name from the list of authorized signers and adding any new authorized user. An e-mail address must be included so claim instructions can be sent. User IDs and passwords should never be shared.

The user authorization form also identifies the individual who has authority to make agreement changes on-line. The authorized signatures are limited to three names for security purposes. Institutions must identify whether the individual has access to make agreement changes and/or submit reimbursement claims. Each authorized signer has his own password. Someone using a password other than their own is the same as forging a signature.

The individual authorized to sign the agreement must sign the user authorization form at the bottom of the form.

Administrative Budget (Form SPI 1136W)

Allowable costs are bona fide obligations incurred for the actual expenses of operating the program. Allowable costs require some level of state agency approval. Additional documents to support the budget may be required.

The phrase "prior approval" is used to identify costs that must be specifically identified by item and amount during the budget submission process.

The phrase "specific prior written approval" is used to identify costs that are not allowed unless the state agency has provided the sponsor with specific written approval of both the cost and the amount of the cost that can be charged to the program before the cost is incurred. Specific prior written approval is required because these costs are not customarily incurred in the routine operation of the CACFP but can sometimes be necessary and reasonable for proper and effective operation of the CACFP. Approval of a budget line item does not constitute adequate specific prior written approval for these costs. The sponsor must specifically identify and request approval of these costs during the budget approval process. All items listed in the budget must be charged to the CACFP according to FNS 796-2, Rev. 3, and other appropriate circulars.

All salaries and benefits charged to CACFP must be supported by time and effort documentation or records. Salary increases will be limited to the cost-of-living index or merit increases. Salaries must be consistent with job duties or job descriptions. Budgets must have board of directors' approval. If a sponsor has higher wages in lieu of benefits, documentation must be provided to support the higher wages. Budgets must support the management plan. Use the following equivalencies to complete the administrative labor portion of the budget: full-time = 8 hours/day, 173 hours/month (8 hours/day x 5 days/week x 4.3 weeks/month); part-time = 4 hours/day, 87 hours/month; part-time = 6 hours/day, 130 hours/month; work-year = 261 days; work-year = 2,080 hours. Total hours include paid sick leave and vacation.

Indirect Costs

Indirect costs must be supported by an indirect cost rate proposal approved by the cognizant agency. Only direct salaries may be charged to the CACFP. If other agency staff are being charged to the CACFP, there must be time and effort records to substantiate the charges as well as direct responsibilities listed for those staff. Include a copy of the approved indirect cost rate plan with the renewal application.

Leases

Copies of all leases must be sent to OSPI. All leases must have an escape clause. The lease must be in the name of the organization. There must also be an arms length agreement between the lessee and lessor.

Additional guidance on preparing an administrative budget is available upon request.

Management Plan (Form SPI FDCH 1136MP)

The management plan and attachments are used to assist the state agency in evaluating the financial viability, organizational capability, and administrative capability of the sponsor. Review this document carefully before submitting the plan to the state agency. Be sure to include the required attachments.

Sponsor Information (Form SPI FDCH 1269SI)

The contact information includes a title, phone number, fax number, address, an e-mail address, and date of birth. Please ensure accurate information for the e-mail address as future correspondence may be sent via e-mail. The date of birth is required of all contacts. The application will not be approved without this information.

Start-Up Funds

Sponsors of fewer than 50 homes may apply for start-up funds for recruitment of additional homes. If interested, check the box on the sponsor information page. Information and the application forms will be mailed to you.

Expansion Funds

Sponsors planning to expand operations into rural or low-income areas may apply for expansion funds. To apply, check the box on the sponsor information page and the application forms will be sent to you if eligible. Expansion funds may not be awarded to the same sponsor in two consecutive years.

Advances

Sponsors requesting an advance should indicate the amount, if any, of advance requested for administration on the sponsor information page. The amount of advance to be issued will be calculated according to state agency policy. The advance will be based on estimated reimbursement. The request will be split between two months. The total advance cannot be greater than the amount requested nor the estimated anticipated reimbursement for two claim months. Advance money will be available upon receipt of funds/letter of credit from the USDA. Advances are due upon demand **or** immediately if the sponsor is terminated **or** if the sponsor self-terminates.

Advances will be reviewed on a monthly basis to ensure the outstanding balance is not greater than the average of three months' claims. If it is, the advance will be adjusted at the next available claim payment date.

Audits

In the section Audits on the sponsor information page, public school districts, educational service districts, colleges, cities, counties, and other municipalities, for-profits and federal government agencies are exempt from completing this section and need only check the n/a box.

Tribal organizations and all other institutions must enter the ending date of the most recently completed fiscal year and the total amount of federal funds expended during that completed fiscal year. It is important to ensure that this date agrees to your most recently completed audit. If you are required to obtain an audit under OMB Circular A-133, we expect to receive the audit report that corresponds to the date you enter in this section. Include all federal funds regardless of the source. CACFP funds are federal funds and should be included. The Catalog of Federal Domestic Assistance number (CFDA) for CACFP funds is 10.558.

Nondiscrimination and Media Policy Release (Form SPI CACFP 1269MR)

New sponsors must complete the nondiscrimination and media policy statement. New sponsors must also submit a media release announcing availability of the CACFP. A sample media release is provided in the attachments and must be returned with new agreements.

Certification Regarding Lobbying (Form SPI CNS 280 LOB)

USDA regulations governing lobbying require that any entity which enters into an agreement with USDA to operate programs with federal funds complete and submit a "Certification Regarding Lobbying." Sponsors that use federal funds for lobbying must also complete the "Disclosure of Lobbying Activities" form quarterly as necessary.

Procurement Standards (Form SPI CNS 1136PS)

All sponsors must comply with the procurement requirements of federal regulation 7 CFR 226.22. CACFP regulations require that all sponsors have standards that are followed when food or supplies are purchased. By adhering to the guidelines, you are assured of efficient and economical purchasing. All sponsors must include Procurement Standards.

The OSPI procurement standards meet appropriate federal regulations. Complete the enclosed procurement standards. Sponsors spending more than \$100,000 in aggregate must comply with bid procedures noted in the procurement standards. These procurement guidelines must be followed when purchasing food, supplies, equipment, and other goods and services.

Electronic Funds Transfer (EFT) Registration with Office of Financial Management

Reimbursement payments are by electronic funds transfer through the state's central accounts payable system managed by the Office of Financial Management (OFM).

You must complete two forms to register your organization in the OFM payment system. They are:

1. Statewide Vendor Registration and Direct Deposit Authorization form.
2. W-9 Request for Taxpayer Identification Number and Certification.

Your bank statement will show the deposit coming from "STATE OF WA-OFM." If your organization has changes to its payment information (new bank account, address, phone number, or contact person) or questions about an EFT payment, you must contact OFM directly for assistance. OFM has a vendor help-line (360-664-7779) that is staffed from 8 a.m. to 5 p.m., Monday through Friday, to assist you in making changes, completing forms, or obtaining additional information regarding specific payments.

Provider Roster (Form SPI FDCH 1136E)

Sponsors must include a complete, up-to-date, alphabetical (last name first) roster. Use either the state agency form in this packet, or your own form, provided all the information contained on the state agency roster is included. The start date is the date the provider begins claiming with the sponsor.

Provider Agreements and License

All providers must have a complete agreement on file with the sponsor. A provider cannot be claimed until the agreement is signed and dated and the current license is received. Do not submit a provider for approval until all documentation is on file. Contact our office for additional information.

Meals for providers' own children may be claimed and paid only after you receive a complete and correct income application. **Providers may not claim meals prior to the month in which the application is signed by the sponsor.** Providers' own children may be claimed **only** if other children are also in care at the same time and participating in the meal service.

Sponsors may accept a letter-in-lieu of the license on Department of Early Learning (DEL) official letterhead for providers. The letter should provide the same information that will be on the license. Please remind providers it is their responsibility to reapply to DEL 90 days prior to the license expiration, if they wish to continue on the program. OSPI will accept a letter-in-lieu for one year from date of the expiration of the license. The approved date for a provider cannot be retroactive but can be effective the day the preapproval visit is conducted if the provider/sponsor agreement is signed and the provider's license is in effect.

Sponsors have the responsibility of entering provider information electronically once the agreement is approved. Do not send new provider agreements and licenses to the state agency. Sponsors are required to keep provider agreements and licenses on file for use by the state agency at the time of a program review. (Failure to have accurate information may be cause for recovery of administrative money and recovery of meal reimbursement.)

It is the policy of the state agency that new providers must be entered into the computer system no later than the 25th of the month in order to be claimed for that month. New providers entered after that date are not eligible for meal reimbursement or administrative reimbursement until the following month. Transfers are not eligible for meal reimbursement until the month following submission of their names to the state agency.

Provider Certification of Claim Accuracy

Food and Nutrition Service Instruction 786-5, Revision 1 (November 8, 1991), requires family day care home providers to certify the information they submit covering attendance and meal counts is accurate. These certification statements shall, at a minimum, require providers to attest that the information submitted is accurate in all respects, that it is given in connection with the receipt of federal funds, and that deliberate misrepresentation may result in state or federal prosecution.

Ensure all provider claim forms include the following certification:

“I certify that the information submitted is accurate in all respects, that it is given in connection with the receipt of federal funds, and that deliberate misrepresentation may result in state or federal prosecution.”

Civil Rights (1136 FDCH CIV/RIG)

Sponsors must collect and report the estimate of ethnic/racial categories. Keep this information on file.

Sponsors are reminded that they must prominently display the USDA “...And Justice For All” poster at their office(s).

“Requirements for Civil Rights Compliance” includes provisions for the disabled. A copy is included with this application for your review.

Bilingual Materials

Bilingual forms or materials developed with USDA funds are public domain and must be shared with sponsors or upon request from the state agency.

Miscellaneous

A number of attachments are included for your internal use. Do not return them with your application.

If you have any questions on how to complete the forms, please contact our office at (360) 725-6200.