

CACFP Administrative Handbook

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16. Monitoring Responsibilities of Sponsors

Monitoring and administrative reviews are important aspects of effective CACFP operations. Through monitoring, the sponsor can provide technical support and assistance to providers for successful participation in the CACFP. Refer to USDA's Family Day Care Homes Monitor Handbook for guidance and regulations http://www.fns.usda.gov/sites/default/files/Monitoring_Homes.pdf.

Pro-Rating Site Reviews

Sponsoring Organizations, sponsors of multiple CACFP sites, must adhere to the following review schedule for each of its sites:

- ◆ Review each site three times per federal fiscal year (October 1 – September 30)
- ◆ At least one review must be conducted during each **new** site's first four weeks of operation
- ◆ No more than 6 months may elapse between reviews
- ◆ At least two of the reviews must be unannounced
 - At least one unannounced review must include observation of a meal service

The requirements for sponsoring organization monitoring of sites are based on the assumption that most facilities participate in CACFP 12 months each year, and that they continue to participate on a full-year basis from one year to the next. KSDE has established the following criteria concerning the monitoring of sites that participate on a less than year-round basis.

If a site does not operate year-round, the number of reviews can be prorated based on the number of operating months (months in which a claim has been submitted) during the fiscal year. If a provider operates and claims one or more days in a given month, count that as an operating month. The number of reviews must be prorated as follows (unless the Sponsoring Organization has a different pro-rated site review plan approved by KSDE):

Months of Operation	Site Reviews
1-4	1
5-8	2
9-12	3

If a site began operating in August, the site must be reviewed once within four weeks during that fiscal year. During the next fiscal year beginning in October, site(s) must be reviewed based on months of operation and the table above. If a site consistently operates only 5-8 months of the year, each of the two reviews must be unannounced and at least one of the unannounced reviews must include observation of a meal service. If a site consistently operates less than 4 months or less of the year, the site review must be an unannounced meal visit.

Anticipated Closures:

Sponsors must make reasonable efforts to complete the required number of reviews for each site during each fiscal year. If a site's closure is anticipated in any way (for example, a construction project, a pregnancy, upcoming planned surgery, indications the site will be closing "soon", etc.), then the sponsor must complete the last review required for the fiscal year prior to the anticipated closure.

Unanticipated temporary closures:

When a site closes temporarily because of unforeseen reasons and the Sponsor is unable to complete the 3rd or last review of the site by the end of the fiscal year because of the temporary closure, it is critical that the Sponsor document the dates of attempted site reviews and the timeline of when notification was received from the site regarding its closure and the events leading up to it. This documentation must be readily available during an administrative review.

Review Elements

During reviews of Family Day Care Homes (FDCH), you must

- ◆ Check whether past problems noted on previous reviews have been corrected;
- ◆ Compare meal counts with enrollment and attendance records for a consecutive five-day operating period during the current or previous claiming month; and
- ◆ Complete an assessment of the home's compliance with the following required review elements:
 - Licensing/approval requirements,
 - Training attendance,
 - Annual updating and content of enrollment forms, and
 - Menu, meal count records, and attendance records [7 CFR 226.16(d)(4)(i)].

The five days of the 5-day reconciliation must be consecutive and they must be days the provider actually operated. If the FDCH was closed for an unexpected reason for example, weather or sickness, do not include that day in the reconciliation. If the FDCH is open on holidays and weekends, count those days in the reconciliation. See prototype 5-day Reconciliation Forms.

Before you lease the home, you should complete your forms and discuss any corrective action(s) that must be taken. This procedure is to make sure that both you and the provider have the same record of what occurred during the visit.

Corrective Action Plan

Providers must follow the terms of the Provider Program Agreement. When a provider fails to meet the terms of the Provider Program Agreement, the provider is placed on a Corrective Action Plan (CAP) to correct the situation permanently. In the CAP, the sponsor clearly states the problem and the requirements that the provider must meet. The CAP returned by the provider must identify:

- ◆ What will be done to correct the problem?
- ◆ Who will be responsible for making sure the deficiency is corrected?
- ◆ When it will be done and how often?
- ◆ Documentation/records that will be submitted to demonstrate compliance and the timeframes for submitting the information, when applicable.

The plan must be signed by the provider and the sponsor.

To identify actions of noncompliance and if a CAP is required, refer to the Home Provider Findings and Sponsor Response Grid found on KN-CLAIM under the Corrective Actions Tab.

If the provider does not return a signed CAP, the CAP does not clearly state how the provider plans to correct the problem or the provider and sponsor cannot negotiate a plan to correct the problem; the provider must be declared seriously deficient.

Serious Deficiency for Providers

When the provider fails to correct the problem(s) or does not comply with the CAP and breaks the terms of the agreement, CACFP rules and/or regulations, it will be necessary for the provider to be declared seriously deficient.

The serious deficiency process, as outlined by USDA, is designed to assure consistent and timely processes to address issues of serious non-compliance and gives the provider the opportunity to correct the problem. Refer to USDA's CACFP Serious Deficiency, Suspension, & Appeals for State Agencies and Sponsoring Organizations Handbook for guidance and regulations on the serious deficiency process found at <https://www.fns.usda.gov/cacfp/serious-deficiency-suspension-appeals-state-agencies-and-sponsoring-organizations> as well as the USDA CACFP Family Day Care Home Monitor Handbook found at http://www.fns.usda.gov/sites/default/files/Monitoring_Homes.pdf.

Sponsors may also choose to utilize the Home Provider Findings and Sponsor Response Grid. Sponsors should indicate their use of the grid in their management plan. KSDE also provides template letters for use by sponsors in the serious deficiency process. Both resources can be found in KN-CLAIM, Corrective Action.

Provider Debt

If a sponsor is unable to collect a provider debt, the sponsor would not necessarily be liable to repay the money back to USDA. As long as the sponsor performed its duties appropriately and took appropriate steps to collect the debt, KSDE may determine that the sponsor is not liable and may approve waiving the debt. If the KSDE or a Federal agency identifies a problem requiring an overclaim against a provider and the sponsor is unable to collect, the sponsor would be liable for that debt if the KSDE determines the sponsor has not fulfilled its duties.

KSDE may approve a waiver of provider debt when documentation of the following information has been submitted to KSDE:

- ◆ The provider debt is not the result of sponsor mismanagement or negligence, and the sponsor performed its CACFP and administrative duties appropriately (including but not limited to monitoring and training).

- ◆ The sponsor followed the serious deficiency procedure.
 - The notice of serious deficiency was sent and allowed the provider an opportunity to correct the situation by repaying the debt.
 - If the provider failed to respond within 30 days, the “Propose to Terminate” letter was sent and offered the provider the opportunity to appeal the proposed termination.
 - If the provider did not appeal or did not win the appeal, the termination letter was sent.
 - A copy of each of the letters was sent to the Assistant Director, Child Nutrition & Wellness, at the time that the original letter was mailed to the provider.
- ◆ The sponsor mails a revised paper claim(s) and a written request to the Assistant Director, Child Nutrition & Wellness. The Assistant Director, Child Nutrition & Wellness will approve or deny the request based on the cause of the provider debt and the steps taken to collect the provider’s debt. If approved, the provider’s name will be placed on the National Disqualified List.

Imminent Threat to Health or Safety

When an institution’s conduct poses an imminent threat to the health or safety of children or the public, the sponsor must suspend the institution’s participation in CACFP. If the institution is cited by state or local health or licensing officials for an offense that constitutes serious health and safety violations, the sponsor must immediately declare the institution seriously deficient in addition to suspending its participation in CACFP. The sponsor must also notify the institution that it is proposing to terminate the institution’s agreement and to disqualify the institution and the responsible principals.

Provider Appeal Procedures

When a sponsor proposes to terminate a day care home provider’s Program agreement for cause, the day care home provider must be provided an opportunity for an appeal of the proposed termination. In Kansas, sponsors must offer the appeals through their organization. KSDE has developed an appeal procedure which can be found in KN-CLAIM, Corrective Action. For additional guidance, sponsors should utilize the USDA CACFP Serious Deficiency Handbook found at <https://www.fns.usda.gov/cacfp/serious-deficiency-suspension-appeals-state-agencies-and-sponsoring-organizations>.

The sponsor must provide the written appeal procedures to all providers annually, and whenever the sponsor takes an action subject to appeal, or at any other time upon request.

Parent Surveys

For program integrity, provider information is confirmed by contacting the parents of all enrolled children by mail or phone, which is referred to as a "Parent Survey." When a survey is conducted, all parents of all children enrolled with a particular provider are contacted. A parent survey of at least one provider will be completed each quarter during a program year. The total number of providers whose parents were surveyed during a program year will equal no less than 5% of the total number of providers on the October certification list. A parent survey is considered complete when 25% or more of the surveys have been returned and applicable follow up is completed. If less than 25% of the surveys have been returned, follow up will occur. If discrepancies are well-documented, the meals will be disallowed.

Parent surveys may be conducted both randomly and specifically. A provider may be targeted for a survey based on discrepancies in recordkeeping, forms that raise concern (including but not limited to all using the same ink and handwriting), or meal attendance at full capacity for every meal claimed for every day during the month. A list of providers who were selected for parent surveys for each Program year needs to be kept on file.

The approved Management Plan on file with KSDE outlines the procedure each sponsor will follow in conducting parent surveys.

In lieu of the parent survey requirements identified above, a sponsor may elect to conduct a parent survey of each enrolled child annually. At least 10% of the providers must have at least 25% of the households respond.