



Georgia Department of Early Care and Learning

Sonny Perdue
Governor

10 Park Place, Suite 200, Atlanta, Georgia 30303
(404) 656-5957

Holly A. Robinson, Ed.D.
Commissioner

To: All Day Care Home Sponsors Participating in the Child and Adult Care Food Program (CACFP)

From: Louis Brienza, Director

Date: January 06, 2011

Re: Child Nutrition Reauthorization 2010-Regulatory Changes for CACFP

The purpose of this memorandum is to notify all Day Care Home Sponsors of revisions that have been made to CACFP regulations as a result of the recent law, The Healthy, Hunger-Free Kids Act of 2010 (Public Law 111-296).

The Healthy, Hunger-Free Kids Act (The Act) modified the following requirements:

- **Method of administrative payment for Day Care Home Sponsors**

Section 334 of the Act eliminates the "lesser of" cost and budget comparisons for calculating administrative payments to day care home sponsors. Instead, administrative payments will be calculated based on the total number of approved claiming homes multiplied by the corresponding reimbursement rate. **This amendment to the calculation method is effective October 1, 2010.**

Sponsors that have submitted claims for reimbursement for the months of October and November 2010, and received administrative payments based on criteria other than the "number of approved claiming homes multiplied by the corresponding reimbursement rate" are eligible for claim adjustments.

Bright from the Start will identify all sponsors that are eligible for the amended payment method, and will make all claim adjustments. However, sponsors that are eligible to submit claim revisions, and that need to submit claim revisions can do so and adjustments will be made to the administrative payment. Any resulting administrative payment due to the sponsor will be issued by Bright from the Start through the normal claim process. For questions concerning the submission of claim revisions, please contact the Finance Unit at 404.656.3325.

Note: Although the Act amends the "lesser of" calculation method, sponsors are required to continue to report actual monthly costs as part of the monthly claim. In accordance with federal regulations 7 CFR 226.15(e), Bright from the Start policy 02-18, and FNS Instructions 796-2, Rev

3., sponsors remain responsible for correctly accounting of costs, for maintaining accurate records, and ensuring sufficient documentation is available to support allowable CACFP costs and amounts claimed.

- **Area eligibility for Family and Group Day Care Homes participating in the CACFP**

Section 121 of The Act now allows family and group day care homes to be classified as tier I for purposes of reimbursement under CACFP if the home is located in an area served by **any** school in which at least 50 percent or more of the children enrolled in the school qualify for free or reduce-priced school meals. . Previously, only the enrollment of the local **elementary** school could be used to determine tier I eligibility. **This amendment to the classification criteria is effective October 1, 2010.**

Only family or group day care homes that were approved and participating in the CACFP during the months of October and November 2010, and reimbursement was issued based on tier II classification are eligible for re-classification. Sponsors must re-evaluate the classification of approved tier II homes by using Bright from the Start's FY 2010 School Data, which is located at www.decal.ga.gov/Nutrition/EligibilityData.aspx. Homes reclassified as tier I using the expanded school data may be eligible to receive the higher tier I reimbursement rate for all meals served from October 1, 2010, to the day of reclassification of the home.

In order to receive the higher reimbursement rate, sponsors must update the home's CACFP application to reflect the tier I classification, and complete and submit the Enrolled Homes Summary Report. **All home updates must be made via CNP 2000 on or before January 31, 2011. The Enrolled Homes Summary Report must be submitted to Bright from the Start (Attn: CACFP Administrative Assistant) on or before February 5, 2011.**

Once the home application(s) is updated to reflect the tier I classification, sponsors can submit valid revised claims for reimbursement for the months of October and November 2010. Sponsors will be required to manually submit claim revisions for the months of October and November 2010 by completing a paper claim form. **All paper claim forms must be submitted to the Finance Unit** (via email at Aneshia.Harris@decal.ga.gov or via postal mail) **on or before February 28, 2011.**

For questions on updating the home application or for a copy of the paper claim form, please contact the CACFP Administrative Assistant at 404.657.1779.

Note: Sponsors must maintain on file documentation, i.e., School Zone Verification Form, to support the home's address is located within the zone of a school in which 50 percent or more of the enrolled children qualify for free or reduce-priced meals. Failure to maintain or make available documentation supporting the classification will impact the home's eligibility status and can result in a reclaim.

- **Elimination of Block Claim Edit Checks in the CACFP**

Section 331 of the Act eliminates the requirement of sponsors to conduct block claim edit checks and eliminates the requirement to meet the follow up review requirements associated with the detection of block claims. **This amendment is effective immediately, and rescinds**

Bright from the Start's policy memorandum entitled Block Claiming Follow up Review guidance dated September 18, 2006.

Note: Although sponsors are no longer required to conduct edit checks or conduct unannounced reviews related to block claims, sponsors are required to conduct sponsor-level edit checks, which includes verifying the facility is claiming only the approved meal types in accordance with 7 CFR 226.10(c)(1), and validating claim submissions by comparison of enrollment, days of serve and total meal claims in accordance with 7 CFR 226.10(c)(2).

For questions concerning the elimination of block claim edit checks and the requirements to conduct unannounced follow up reviews, please contact the Policy Administrator at 404.651.7181.