

# MANAGEMENT PLANS



2019

Practical Training  
Solutions for CACFP  
Administration



**CORE**

CACFP OPERATIONAL  
RESOURCES & EDUCATION

## LEARNING OUTCOMES



Explain the definition of the management plan.



Discuss the CACFP performance standards.



Explain the purpose of the management plan.



Discuss the components of the management plan.



Discuss how to evaluate, monitor, revise, and submit the management plan.

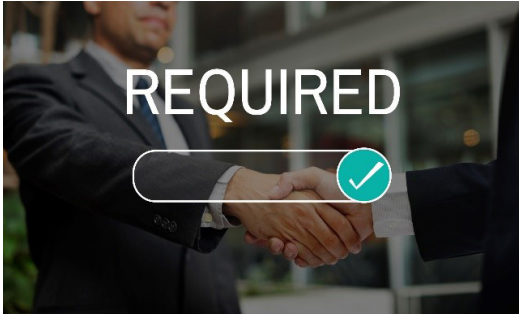


Discuss the management plan and share best practices.

## MANAGEMENT PLANS DEFINED

### Regulations

The regulations that govern the management plan in the CACFP are



7 CFR 226.6(b)(1)(iv), for new sponsoring organizations; and

7 CFR 226.6(b)(2)(i), for renewing sponsoring organizations.

For the remainder of this training, we will only be discussing renewing sponsoring organizations.

### Management Plan Defined

The management plan is your written practices and procedures. It should also be utilized as a guide to run and manage the CACFP operations of your organization/business. It is not something to develop and place on the shelf. It is your guide—a business plan that demonstrates your sponsoring organization's ability to meet the CACFP performance standards.

### Why Are Management Plans Important?

- They connect the organization's vision for the CACFP administration to all required meal service operations.
- They document the organization's ability to provide compliant administrative and operating services to the CACFP facilities.
- They detail the CACFP performance standards.
- They obtain and maintain approval to participate in the CACFP.




---



---



---



---



---



---

## WHAT ARE THE PERFORMANCE STANDARDS?

### What Are the Performance Standards?

7 CFR 226.6(b)(2)(vii)



The performance standards are **financial viability**, **administrative capability**, and **program accountability**.

The management plan should clearly communicate that you have:

- the necessary finances and financial management systems in place to operate the CACFP,
- staff capacity to administer the CACFP, and
- effective internal controls in place to ensure accountability

### Financial Viability

7 CFR 226.6(b)(2)(vii)(A)



The first performance standard is financial viability and requires that the Program funds be expended and accounted for in accordance with the requirements detailed in 7 CFR 226.6; FNS Instruction 796-2 Rev. 4; 2 CFR 200, subpart D; and USDA implementing regulations under 2 CFR, parts 400 and 415.

Sponsoring organizations must demonstrate compliance with this standard in three areas:

1. Description of need/recruitment. Demonstrate that your sponsoring organization will use appropriate practices for recruiting facilities. This includes your plan for recruiting unserved facilities, following State agency policy regarding recruitment and facility transfers, and demonstrating that you have an active recruiting plan in place and implemented.
2. Fiscal resources and financial history. A renewing sponsoring organization must demonstrate that it has adequate financial resources to operate the CACFP on a daily basis.
3. Budgets. Costs in the budget must be necessary, reasonable, allowable, and appropriately documented. The budget process demonstrates how Program resources are managed.




---



---



---



---

## WHAT ARE THE PERFORMANCE STANDARDS?

### Administrative Capability 7 CFR 226.6(b)(2)(vii)(B)

The second performance standard is administrative capability. To demonstrate compliance with this standard, sponsoring organizations must have appropriate and effective management practices to operate the Program in accordance with requirements.



*There are two areas where sponsoring organizations must meet the standard:*

1. They must have an adequate number and type of qualified staff to ensure the operation of the Program. The important thing to remember here is that meeting the minimum staffing requirements is not the only staffing requirement. Adequate staff will vary from sponsor to sponsor as this is based on the complexity of each sponsoring organization.
2. They must have the Program policies and procedures in writing, which assign the Program responsibilities and duties and ensure compliance with civil rights requirements. All positions must have a written guide of their responsibilities along with a written road map on how to perform all required duties.

### Program Accountability 7 CFR 226.6(b)(2)(vii)(C)



The third performance standard is program accountability. This standard requires sponsoring organizations to develop and implement effective internal controls and other management systems to ensure fiscal accountability and that the Program will comply with the requirements.

*To demonstrate Program accountability, the sponsor must document that it meets the following criteria:*

1. A governing board of directors that has adequate oversight and is independent
2. A fiscal management system with controls in writing to ensure fiscal integrity
3. Integrity and accountability for expenses incurred
4. Adequate recordkeeping practices to document compliance




---



---



---



---



---

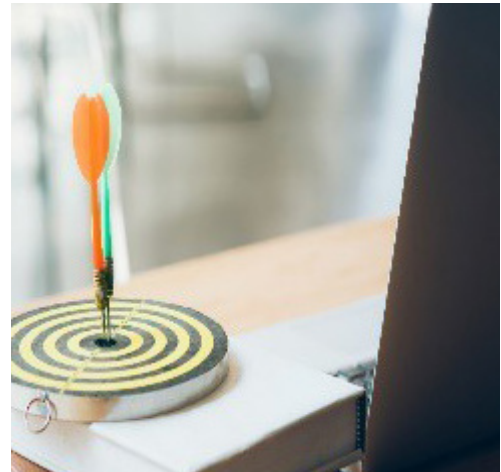


---

## PURPOSE OF MANAGEMENT PLANS

*The purpose of management plans is to*

1. document your sponsoring organization's policies and procedures,
2. demonstrate your ability to fulfill your responsibilities as a sponsoring organization, and
3. show your compliance with the CACFP regulations, including the performance standards.



### Picture This

What if in your management plan you stated that the executive director is responsible for monitoring? When the State agency conducts the review, the reviewer asks the executive director about the monitoring policies and procedures.

The executive director sends the reviewer to the monitoring manager. If your plan says that the executive director position is responsible for ensuring that all monitoring visits are conducted, then this should not be the responsibility of the monitoring manager.

Should the State agency evaluate this aspect of operations, based on your management plan they will interview the executive director to determine how this is done. If the executive director refers them to the monitoring manager, then this is an indication that the management plan does not reflect current operations.

### What will be the State agency's response?

---



---



---




---



---



---



---



---

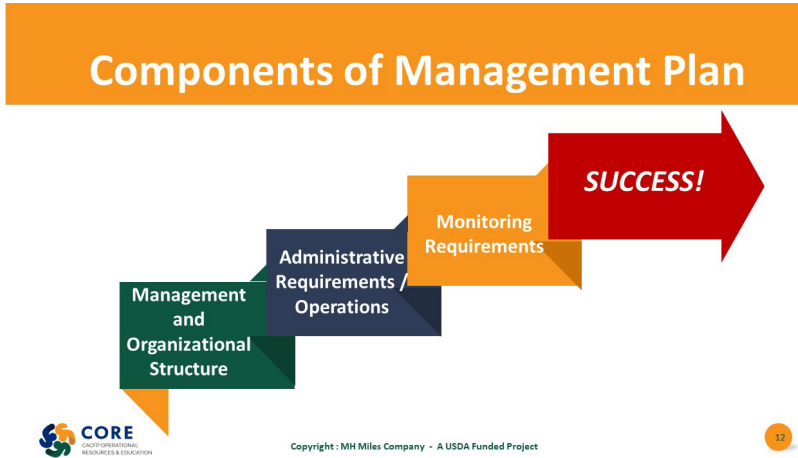


---

## COMPONENTS OF MANAGEMENT PLANS

### Components of Management Plans

The federal regulations provide specific requirements for management plans for new and renewing sponsoring organizations. State agencies can organize management plan criteria in various ways. In most cases, the management plan will require the information in three components:




1. Management and organizational structure
2. Administrative requirements/operations
3. Monitoring requirements

Each of the components includes elements, functions, activities, and the records that are required to be maintained.

### Developing Management Plans

The management plan is used to document accurate and effective policies and procedures that the State agency will evaluate to determine compliance. To ensure the plan is clear and provides sufficient detail, sponsoring organizations are encouraged to answer the **WHO**, **WHAT**, **WHEN**, **WHERE**, and **HOW** when developing policies and procedures for the plan.



**WHO** is responsible for performing and providing oversight of the function or activity?

Clearly describe **WHAT** the element, function, or activity is and provide step-by-step procedures.

Detail **WHEN** the function or activity is performed

When applicable, provide the location for **WHERE** records related to the policy and procedure will be stored.

**HOW** will you monitor the function or activity to ensure it is implemented and followed in accordance with the policies and procedures?

## COMPONENTS OF MANAGEMENT PLANS

### Management and Organizational Structure



This management plan component describes the general business infrastructure of the organization. It will require sponsoring organizations to develop policies and procedures for various elements of the Program.

*The following chart displays the elements, the function/activities, and the records to be maintained.*

Element	To Demonstrate Compliance (Function/Activity)	Records
<b>Organizational Structure</b>	<ul style="list-style-type: none"> <li>• Provide details on the staff positions needed to effectively administer and operate the CACFP.</li> <li>• Describe the method for assigning the CACFP duties and responsibilities.</li> <li>• Describe the organization's compensation policy, including staff positions, work schedules, salary and wage ranges, and pay schedule and policy.</li> <li>• Describe the process for ensuring compliance with civil rights requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Organizational chart</li> <li>• Job descriptions</li> <li>• Compensation policy</li> <li>• Agency's nondiscrimination policy</li> </ul>
<b>Governing Board</b>	<ul style="list-style-type: none"> <li>• Describe the process for ensuring that a majority of its board members are not financially vested in the sponsoring organization and are not related to each other.</li> <li>• Describe the process for ensuring the board chairperson or similar position is independent of the executive director's control and has the ability to hire or fire the executive director.</li> <li>• Describe how the board's written policies and procedures are evaluated and enforced by all members.</li> </ul>	<ul style="list-style-type: none"> <li>• Conflict of Interest statement</li> <li>• Board chair's job description</li> <li>• Board's policies and procedures</li> <li>• Board's by-laws</li> </ul>



## COMPONENTS OF MANAGEMENT PLANS

### Management and Organizational Structure

Element	To Demonstrate Compliance (Function/Activity)	Records
<p><b>Financial Management</b></p>	<ul style="list-style-type: none"> <li>Describe the process for ensuring that annual administrative reimbursement do not exceed regulatory limits of net costs or 15 percent of annual meal reimbursements (sponsoring organization of centers, affiliated and unaffiliated).</li> <li>Describe how reimbursements are verified for accuracy and how the funds are disbursed within five working days.</li> <li>Indicate the source of funds to cover temporary interruption of the CACFP funds, overpayments, and claims against the organization.</li> <li>Describe your financial management system and organizational accounting practices.</li> </ul>	<ul style="list-style-type: none"> <li>Administrative fee policy</li> <li>Budget</li> <li>Reimbursement policy</li> <li>Financial management system and organizational accounting practices description</li> </ul>
<p><b>Outside Employment</b></p>	<ul style="list-style-type: none"> <li>Describe the process used to notify key staff of outside employment restrictions.</li> <li>Describe the process for documenting and evaluating outside employment of key staff.</li> <li>Describe the process for determining if outside employment constitutes a real or apparent conflict of interest.</li> </ul>	<ul style="list-style-type: none"> <li>Outside employment policy</li> </ul>

## COMPONENTS OF MANAGEMENT PLANS

### Administrative Requirements/Operations



This component of the management plan describes the sponsoring organization's written policies and procedures for common day-to-day CACFP operations. This area of the management plan may include information specific to the internal processes and procedures sponsoring organizations use to meet these annual CACFP requirements.

*The elements include the following:*

- Eligibility and enrollment
- Validations of claim data
- Meal pattern compliance
- Recordkeeping system



## Recap the Components and Elements

Management and Organizational Structure	Administrative Requirements / Operations	
Organizational Structure	Eligibility and Enrollment	
Governing Board Compliance	Validation of Claim Data	
Financial Management	Meal Pattern Compliance	
Outside Employment Policy	Recordkeeping System	




---



---



---



---



---



---

## ACTIVITY: ADMINISTRATIVE REQUIREMENTS/OPERATIONS



**Activity:**  
**Component 2 Administrative Requirements/Operations**

Turn to page 17 to complete this activity!

## COMPONENTS OF MANAGEMENT PLANS

### Monitoring Requirements



This section of the management plan requires demonstration of the administrative capability to perform required monitoring duties. It also details written policies and procedures regarding compliance with monitoring requirements

*The elements for this component include the following:*

- Sufficient qualified staff
- Monitoring tracking system
- Evaluating reports

## RECAP



## Recap the Components and Elements

Management and Organizational Structure	Administrative Requirements / Operations	Monitoring Requirements
Organizational Structure	Eligibility and Enrollment	Sufficient Qualified Staff
Governing Board Compliance	Validation of Claim Data	Monitoring Tracking System
Financial Management	Meal Pattern Compliance	Evaluating Reports
Outside Employment Policy	Recordkeeping System	



Notes

---



---



---



---



---



---

## ACTIVITY: MONITORING REQUIREMENTS



### **Activity:** **Component 3 Monitoring Requirements**

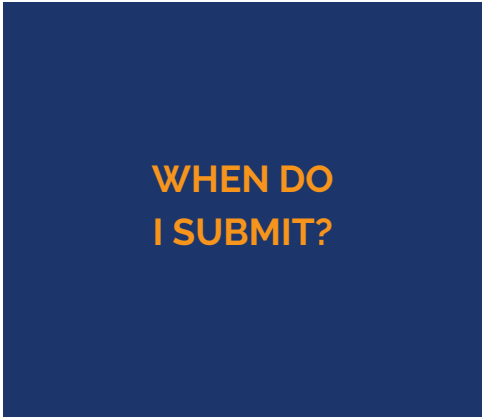
**Turn to page 20 to complete this activity!**

## MANAGEMENT PLAN EVALUATION AND SUBMISSION

### Management Plan Submission

Sponsoring organizations are required to submit a management plan initially with a new application. Operating sponsorships are required to submit the management plan either annually when updates are required or at any other time required by the State agency. This may include submission during times of corrective action or when new requirements are issued at the federal or state level.

You can expect acknowledgment or approval of any revisions or updates to a management plan within thirty days of submission to the State agency.



### Evaluating and Monitoring Management Plans

We have defined the management plan and discussed its importance, purpose, and components. Now it's time to discuss how management plans are evaluated and monitored.

- You maintain a current management plan by monitoring your activities and making the changes to your plan when needed.
- Compare actual activities to your written plan.
- Make necessary revisions to be consistent with current practices.
- Your plan should be clear and concise with sufficient details.




---



---



---



---



---



---



---



---



---

## BEST PRACTICES

Best practices are very useful tools because in most cases they have been tried and tested. If they are relevant to the situation and implemented accurately, they can be a tremendous benefit. Here are a few best practices.



- **Evaluate** the management plan and ensure it answers **WHO, WHAT, WHEN, WHERE, and HOW**. Answering these questions will ensure sufficient detail is provided in policies and procedures.
- **Ensure** policies and procedures are specific and relevant to the Program operation, function, or activity.
- **Ensure** revisions are made in a timely fashion, as business processes change.
- **Equip** the organization’s staff by training everyone (including board members) on the management plan. The staff should be aware of the plan, its purpose, how the plan impacts the organization’s CACFP participation, and their specific roles and responsibilities related to implementing the plan.
- **Employ it!** Once you have your plan in writing, **use it!**



---

---

---

---

---

---

---

---

## CASE STUDY: DEVELOPING MANAGEMENT PLANS



**Activity:**  
**Developing a Management Plan**

**Turn to page 23 to complete this activity!**





## ACTIVITY: ADMINISTRATIVE REQUIREMENTS/OPERATIONS

### INSTRUCTIONS

1. Each of you will be given a card with a function/activity or records on it.
2. Find the appropriate element on the board and place your function/activity or record under the element.
3. Select a spokesperson to share group results.

#### Provided for this activity:

- Administrative requirements/operations chart
- Strips of paper with functions and records

**ACTIVITY: ADMINISTRATIVE REQUIREMENTS/OPERATIONS**

Element	To Demonstrate Compliance (Function/Activity)	Records
Eligibility and enrollment		
Validation of claim data		
Meal pattern compliance		
Recordkeeping		

## ADMINISTRATIVE/OPERATIONS REQUIREMENTS CHART

Element	To Demonstrate Compliance (Function/Activity)	Records
<b>Eligibility and enrollment</b>	<ul style="list-style-type: none"> <li>Describe the process used to obtain IES forms and verify that they are completed and accurately classified.</li> <li>Describe the process used to communicate errors or misclassification of IES forms to sponsored facilities.</li> <li>Describe the process used to collect and verify all enrollment information and ensure it is available for all participants.</li> </ul>	<ul style="list-style-type: none"> <li>IES and enrollment policy</li> <li>A sampling of IES and enrollment forms verified by the sponsor</li> </ul>
<b>Validation of claim data</b>	<ul style="list-style-type: none"> <li>Describe how documents are collected or reviewed monthly to support the claim for reimbursement.</li> <li>Describe the process used for evaluating claim data prior to submitting a claim for reimbursement.</li> <li>Describe the process for performing required edit checks.</li> </ul>	<ul style="list-style-type: none"> <li>Claim validation policy</li> </ul>
<b>Meal pattern compliance</b>	<ul style="list-style-type: none"> <li>Describe how the sponsoring organization collects and evaluates monthly menus.</li> <li>Describe how preplanned menus are reviewed for accuracy.</li> <li>Describe how facilities are notified of noncreditable meals.</li> <li>Describe how reductions in reimbursement are handled.</li> </ul>	<ul style="list-style-type: none"> <li>A sampling of menus</li> <li>Disallowance policy</li> <li>Meal pattern compliance policy</li> </ul>
<b>Recordkeeping</b>	<ul style="list-style-type: none"> <li>Describe the process for collecting and maintaining sponsored facility and sponsoring organization records.</li> <li>Describe the process for revising forms to be consistent with federal or state requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Recordkeeping system</li> </ul>

## ACTIVITY: MONITORING REQUIREMENTS

### INSTRUCTIONS

1. Each of you will be given a card with a function/activity or records on it.
2. Find the appropriate element on the board and place your function/activity or record under the element.
3. Select a spokesperson to share group results.

#### Provided for this activity:

- Monitoring requirements chart
- Strips of paper with functions and records.

**ACTIVITY: MONITORING REQUIREMENTS**

Element	To Demonstrate Compliance (Function/Activity)	Records
Sufficient qualified staff		
Monitoring tracking system		
Evaluate reports		

## MONITORING REQUIREMENTS CHART

Element	To Demonstrate Compliance (Function/Activity)	Records
<b>Sufficient qualified staff</b>	<ul style="list-style-type: none"> <li>• Demonstrate there is a sufficient number of staff to perform all the CACFP duties.</li> <li>• Demonstrate required number of full-time equivalent employees.</li> <li>• Provide job descriptions.</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing plan</li> <li>• Organizational chart</li> <li>• Job descriptions</li> </ul>
<b>Monitoring tracking system</b>	<ul style="list-style-type: none"> <li>• Describe the system used to document and track monitoring visits.</li> <li>• Describe the process to ensure visits are completed annually.</li> <li>• Describe the process for adding or removing facilities from the system.</li> <li>• Describe the position responsible for maintaining the tracking system.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring schedule</li> <li>• System description</li> <li>• Job description</li> </ul>
<b>Evaluate reports</b>	<ul style="list-style-type: none"> <li>• Describe the position responsible for reviewing monitoring reports.</li> <li>• Describe how monitoring reports are evaluated.</li> <li>• Describe how corrective action responses are reviewed and accepted or denied.</li> <li>• Describe the process for implementing serious deficiency policies.</li> </ul>	<ul style="list-style-type: none"> <li>• Quality review policies</li> <li>• Serious deficiency policies and procedures</li> <li>• Corrective action policies</li> </ul>




---

---

---

---

---

---

---

---

---

---

## ACTIVITY: CASE STUDY: DEVELOPING MANAGEMENT PLANS

### INSTRUCTIONS

1. Each table will work as a group.
2. **Part 1**—Review and complete questions in the partially finished management plan with assigned component.
3. Develop plan responses using WHO, WHAT, WHEN, WHERE, and HOW.
4. **Part 2**—Exchange completed plans with neighbor. Use sponsor organization management checklist to evaluate responses.
5. Select a spokesperson to share your team results.

#### Provided for this activity:

- Best Sponsor in the USA case study scenario
- Partially completed management plan
- Management plan checklist



## ACTIVITY: DEVELOPING MANAGEMENT PLANS

### CASE STUDY: BEST SPONSOR IN THE USA

**Best Sponsor in the USA** (*Best Sponsor*) is a single-purpose, private nonprofit sponsoring organization. It is located in Anywhere, USA, and has recently expanded its administrative and operating services to 75 homes and 150 centers, including at-risk after-school programs.

To accommodate recent growth, Best Sponsor has opened two additional offices in the state. Because of the growth, Best Sponsor is required by its State agency to revise its management plan and resubmit for review and approval. Best Sponsor has worked to update internal business policies and procedures but has not completed the management plan. As of today, there are several items remaining that must be completed.



---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

## CASE STUDY: BEST SPONSOR IN THE USA SAMPLE MANAGEMENT PLAN

<b>Sponsoring Organization Name:</b>		<b>Best Sponsor in the USA (Best Sponsor)</b>	
<b>Fiscal Year:</b>	2018	Initial Application <input type="checkbox"/>	Renewal Application <input checked="" type="checkbox"/>
<b>Submission Type:</b>	Original <input type="checkbox"/> Renewal Revision 1 <input checked="" type="checkbox"/> Renewal Revision 2 <input type="checkbox"/> Renewal Revision 3 <input type="checkbox"/>		
<b>Type of Sponsor: (Check all that apply)</b>	Homes <input checked="" type="checkbox"/> Affiliated Centers <input checked="" type="checkbox"/> Unaffiliated Centers <input checked="" type="checkbox"/>		
<b>Business/Corporate Type:</b>	Public <input type="checkbox"/> Private Non-Profit Corporation <input checked="" type="checkbox"/> For-Profit: LLC <input type="checkbox"/> Corp <input type="checkbox"/> Gen. Part. <input type="checkbox"/>		
	Single Purpose <input checked="" type="checkbox"/> Multi-purpose <input type="checkbox"/> Sole Proprietor <input type="checkbox"/>		
<b>CACFP Participation:</b>	CACFP Multi-State Sponsor <input type="checkbox"/> Indicate State(s):		
<b>Mailing Address:</b>	225 Overland Drive Anywhere, USA 11111	<input checked="" type="checkbox"/> Mailing address same as physical address	<b>Office Phone:</b> (404) 777-9311
<b>Email Address:</b>	Bestsponsor@hotmail.com		

### COMPONENT: Management and Organizational Structure:

#### Personnel Structure

- List all staff, position/titles, the percentage of total time worked on CACFP duties, and indicate if CACFP time worked is funded by CACFP reimbursement, e.g., Susie James, Executive Director, 100%, yes funded by CACFP. Use additional pages if necessary. Attach job descriptions for all positions listed below and provide an organizational chart.

# of Positions	Position/Title	% of Time on CACFP	Funded by CACFP
(1)	Executive Director	100%	X
(1)	Claims Manager	100%	X
(1)	Fields Operations Mgr.	100%	X
(1)	Accountant/Bookkeeper	50%	X
(2)	Monitor	100%	X
(1)	Clerical Staff	100%	X
(1)	Kitchen manager	100%	X
(2)	Kitchen Staff	100%	X

2. Describe the organization's compensation plan. Include in the description how CACFP duties are assigned. Attach a copy of the organization's compensation plan/policy, which must include each position, salary/wage range, normal work schedule, pay schedule.

**WHO:** The governing board sets and approves all policy, including compensation for all staff.

**WHAT:** Duties are assigned based on position. Each position has specific duties and may assist with other duties when needed. All full-time positions work 40 hours per week. All part time positions work 25-30 hours per week. Pay periods are the 15 and the 30th (or last day in the month). All payroll, including mileage reimbursement is issued through direct deposit. General office hours are 7 AM-6 PM, Monday-Friday. Our central kitchen operates from 5 AM- 2 PM. Monitors may work on the weekends when necessary, e.g., training or monitoring weekend meal service. All management positions work from the main office. Monitors are assigned to a field office based on territory assignments and location of facilities, and all kitchen staff work from the central kitchen.

**WHEN:** The governing board and Executive Director meets annually to review the compensation plan policy.

**WHERE:** The compensation policy is part of the Board and Executive Director's internal policies and procedures handbook, which is housed in the main office. Below are the management positions, salaries and work schedules.

**HOW:** The governing board reviews the compensation plan policy and compares current positions and salaries to DOL info. Revisions to position titles, pay scales and job duties are made only when significant changes to job duties are made or DOL salary info changes.

**Main office: [Best Town, USA]**

Title	Full Time (FT) or Part Time (PT)	Salary/Wage	Work Schedule
Executive Director*	FT	\$100,000	8 AM-5 PM
Claims Manager	FT	\$50,000	8 AM-5 PM
Fields Operations Mgr.*	FT	\$65,000	9 AM-6 PM
Accountant /Bookkeeper	PT	\$5000 (monthly flat rate)	12 PM-4 PM

**Field Office #1: [Very Best Town, USA]**

Title	Full Time (FT) or Part Time (PT)	Salary/Wage	Work Schedule
Monitors (1)*	PT	\$15.00/hour	7 AM-6 PM
Clerical Staff (1)	FT	\$30,000	7 AM-6 PM

**Field Office #2: [Best Town, USA]**

Title	Full Time (FT) or Part Time (PT)	Salary/Wage	Work Schedule
Monitors (1)*	PT	\$15.00/hour	7 AM-6 PM
Clerical Staff (1)	FT	\$30,000	7 AM-6 PM

**Central Kitchen: [Middle of Nowhere, USA]**

Title	Full Time (FT) or Part Time (PT)	Salary/Wage	Work Schedule
Kitchen Manager	FT	\$35,000	5 AM-2 PM
Kitchen staff (2)*	PT	\$15.00/hour	5 AM-2 PM

\*Positions that provide mileage reimbursement at \$.55/per mile for duties related to food/supply shopping and/or delivery, monitoring, group training or providing onsite technical assistance.

- Describe the process for meeting civil rights requirements with staff and sponsored facilities

**WHO:** The Executive Director and Fields Ops Manager provides training on civil rights requirements to key staff prior to enrollment of new facilities and during annual facility and organizational training each year.

**WHAT:** Training consists of explaining civil rights requirements for CACFP and how to file a complaint, if necessary. As part of the enrollment package, we provide instructions to parents and facilities on how to file a discrimination complaint by contacting our main office or USDA directly. The Building for the Future poster is provided and required to be visible to the public in all facilities. Prior to issuing any promotional materials, we ensure the non-discrimination statement is on all of our materials issued to parents.

**WHEN:** Training is provided during initial enrollment of new facilities and as part of new-hire process for new staff, and annually thereafter.

**WHERE:** Copies of the civil rights training is available at the main office and included in the personnel policies and procedures handbook.

**HOW:** As part of monitoring visits, we check to see if facilities are meeting the requirements and that the Building for the Future poster is visible.

**Governing Boards:**

- List all governing board members. Include each position, term limit and indicate the relationship to other members or staff of the organization, e.g., Susie James, Executive Director-Member, ongoing, married to Jamie James. Attach additional pages, if necessary.

Position	Term	Relationship	Paid with CACFP Funds
President	Ongoing	Married to member #2	
Vice President	2 years	None	
Financial Officer	2 years	None	
Secretary	2 years	None	
Executive Director/ Member #1	Ongoing	Married to Bookkeeper, mother of Claims Manager	X
Member #2	2 years	Married to the President	
Member #3	2 years	None	

5. What is your process for ensuring the majority of board members (51%) are not paid employees of the organization and are not related to each other? Include the person(s) responsible for evaluating and monitoring the process, when the process is monitored, and where records (the written process and evaluation records) are stored.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

6. What is the organization's process for hiring and firing the Executive Director? Indicate the board position(s) that are responsible for hiring and/or firing the Executive Director.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

7. How does the organization identify and screen for potential board members? Attach a copy of the board's communication and tools used for this process.

**WHO/WHEN:** Board officers seek new members 6 months before the term ends.

**WHAT:** The screening process requires members to identify potential members that have an ECE background, past childcare providers or those currently working in childcare and have experience in business and finance or accounting. Potential members must consent to a background and credit check and must submit proof of education and job history. Potential board members must be interviewed by the current board President and make a presentation before the board. The board must have a vote of 5 or more in favor of the selection.

**WHERE:** A copy of the interview questions and presentation materials are housed at the main house. Discussion of the selection process and decision vote is included in the board meeting minutes.

**HOW:** This screening process is evaluated every two years to determine if changes are needed.

8. How does the organization recruit eligible facilities to the CACFP? Attach a copy of the communication used to notify parents and facilities of program benefits.

**WHO:** Clerical staff from each office collects new facility data from the licensing authority and the Executive Director is responsible for reviewing info and identifying potential facilities. The Field Operations Manager is responsible for hosting the info-sessions and will issue a brochure and discuss preliminary qualifications for the program.

**WHAT:** After identifying potential new facilities, monitors hand-deliver or we issue by mail a questionnaire and invitation to our new facility info-session that is held quarterly.

**WHEN:** data collection occurs monthly.

**WHERE:** monthly data, info-session materials and all communication is housed in the main office and if a potential facility is later enrolled and approved to participate in CACFP, copies of the communication is included in the facility's file..

**HOW:** the Executive Director verifies accuracies of all materials and eligibility of all potential facilities prior granting approval to move forward with invitation to the info-session.

### Financial Management System

9. Select the organization's accounting method:  
 Cash  Accrual  Modified Accrual

10. Describe the process for tracking revenue and expenses. Indicate the type of accounting software used for this process.

**WHO:** The Accountant/Bookkeeper tracks all business expenses, including CACFP costs

**WHAT:** We use quick books to track revenue and expenses. We have one account for general expenses like tuition and subsidy payments and we have one account with all CACFP reimbursement and expenses, including reimbursement payments to facilities and CACFP costs. We use codes in our CACFP account to distinguish between revenue (code 100) and expenses (code 200). The Accountant/Bookkeeper enters all deposits from the State agency and CACFP costs. The Claims Manager enters all reimbursements for monthly claims.

**WHEN:** Entries are made daily, claims entered facility expense tracking made monthly.

**WHERE:** Financial information is housed in our electronic database using quick books. Hard copies of monthly expense reports for the organization are maintained at the main office.

**HOW:** To ensure accuracy of financial records, we use a check and balance system in which the Executive Director verifies and reconciles all entries from the Claims Manager and Accountant/Bookkeeper.

11. Describe the organization's procedures and internal controls for safeguarding CACFP funding and preventing fraudulent activity. Include in your response the process for review and approving CACFP expenses.

**WHO:** The Governing Board is responsible for ensuring all funding, including CACFP reimbursement is safeguarded.

**WHAT:** During each quarterly board meeting the Accountant/Bookkeeper provides a report on the internal financial audit, advises if budget projections are on track with estimates and makes recommendations for adjustments.

**WHEN:** The Board and Executive Director meets 90 days before the start of the fiscal year to review financial reports and projected expenses for the current year and projected financial report for the upcoming year.

**WHERE:** All financial records are housed in the main office and the board meeting minutes will include reference to the discussion and the results of the votes pertaining to estimates and approval to incur or pay expenses.

**HOW:** The Governing Board votes to accept or reject the projections, and grants authority to the Executive Director to review, approve and pay expenses on behalf of the organization.



12. Select the type of bank account: **Single/separate**  **Commingled**  **--**

If commingled, describe the coding system used to distinguish between CACFP and non-CACFP revenue and expenses. Provide the CACFP account code used for the chart of accounts, if applicable.

N/A \_\_\_\_\_

13. Sponsors of centers only: What is the organization's annual percentage of total meal reimbursements used for 15% CACFP administrative cost?

14. Indicate the non-CACFP funding source(s) available to cover periods of interruption of CACFP funds, overpayments or claims against the organization. Include the person(s) responsible for ensuring funding is available to cover overpayments and responsible for approving payment for overpayment and claims against the organization.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

15. What is the process used to ensure that the lessor of actual net costs and no more than 15% of total meal reimbursement is used to cover allowable administrative costs?

**WHO:** The Accountant/Bookkeeper determines our annual 15% cap at the beginning of the fiscal year based on prior year final costs.

**WHAT:** We use 15% cap amount estimate as our maximum administrative budget amount. The Accountant/Bookkeeper identifies all estimated costs for the upcoming year and determines the estimated percentage to withhold from each sponsored center.

**WHEN:** In March and June of each year we review our books and decide if we need to decrease the withholding percentage from each center based on true costs.

**WHERE:** All claim and budget records are housed in the main office. Copies of each facility's claim and reported costs are available for view in the State agency's electronic system.

**HOW:** Quarterly, the Accountant/Bookkeeper evaluates our budget and compares to actual costs making sure that all CACFP costs are allowable or that other funding was used for non-CACFP costs.

16. **Sponsors of homes and unaffiliated centers only.** Indicate the position responsible for issuing monthly reimbursement to sponsored facilities. What is the process for verifying the accuracy of reimbursement and ensuring reimbursement is issued within five working days upon receipt from the state agency?

**WHO:** The Claims Manager is responsible for verifying claim data and submitting the claim to the State agency.

**WHAT:** All reimbursements are issued by direct deposit within 5 days of receiving the deposit from the State agency. We use an electronic system for our claims and meal counts. The Executive Director conducts a sample verification of claim documentation and claim submissions. Afterwards, approval is granted for the Claims Manager to issue reimbursement.

**WHEN:** All claims payments are issued monthly. Occasionally we'll need to submit revisions and issue late payments. If so, this is done within two weeks of the original claim submission.

**WHERE:** All claim and budget records are housed in the main office. Copies of each facility's claim and reported costs are available for view in the State agency's electronic system.

**HOW:** Quarterly, the Accountant/Bookkeeper conducts an internal audit to ensure claim documentation was evaluated correctly, claims were submitted correctly and that reimbursement amounts are accurate and issued within the 5 days.

## Outside Employment Policy

17. Describe the organization's outside employment policy. Include in the description how staff are notified of employment restrictions; the process staff must take to notify management of outside employment, and the process for determining if the outside employment constitutes a real or apparent conflict of interest. Indicate the position(s) responsible for receiving and evaluating outside employment request, and where records (requests and responses) are maintained.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

### Annual Training for Key Staff:

18. Indicate the method(s) for providing annual training to all key staff of the organization and of sponsored facilities and how attendance is tracked.

**WHO:** The Fields Ops Manager is responsible for facilitating all training sessions.

**WHAT:** We provide mandatory quarterly training to our staff. In this training we review all internal and external policies and new state or federal policies that are issued. We review our error tracking report and discuss trends in performance. Training is tracked internally. Staff that do not complete quarterly training face consequences including, probation, demotion and loss of pay, or termination. We provide annual training in a large group setting to all facilities in August (centers) and September (homes) each year. Training is offered in each of the 3 territories. We offer 3 makeup sessions (1 in each territory) in October and November. Facilities are determined seriously deficient if they do not attend annual training. Technical assistance is provided when needed or as requested. Participants have to sign-in at each annual training session. A form acknowledging the purpose of the technical assistance is provided and must be signed by the facility.

**WHEN:** Training is provided quarterly, annually and as needed

**WHERE:** Facility training attendance is maintained in binders at the main office. Technical assistance acknowledgement forms are maintained with each facility's monitoring reports. Organizational training attendance is included in the personnel files.

**HOW:** Training data is reported and reviewed by the Governing Board to ensure we've trained all key staff of the organization and facilities. Training attendance records and staff/facility is compared to ensure we've met CACFP requirements.

19. Indicate the position(s) responsible for developing training materials.

**WHO:** The Monitors assist the Fields Ops Manager with development of all training materials, with the exception of training related to the meal pattern requirements. In this case, the Kitchen Manager assists the Fields Ops Manager with development.

20. What is the process for ensuring all applicable topics are covered in the annual training?

**WHO:** The Monitors assist the Fields Ops Manager with development of all training materials, with the exception of training related to the meal pattern requirements. In this case, the Kitchen Manager assists the Fields Ops Manager with development.

**WHAT:** New staff and new facilities are trained on all CACFP operational requirements as part of staff onboarding or prior to the pre-operational visit for new facilities. The Executive Director reviews and approves all final training materials.

**WHEN:** Staff are trained quarterly on new policies and procedures, performance and compliance trends. Annual training for facilities is based on new policies and procedures, internal organizational practices and procedures and compliance trends.

**WHERE:** training materials are housed in the main office and at each field office.

**HOW:** The Executive Director reviews and approves all training materials prior to the first session, and attends some sessions to ensure information is delivered correctly.

21. What is the process for communicating to staff changes in federal regulations or state policies and requirements?

**WHO:** The Executive Director share all new info or changes in policies and procedures with the Governing Board during board meetings and with staff during staff meetings. The Fields Operations Manager is responsible for incorporating all new information in our training and monitoring forms.

**WHAT:** When the state agency issues new policies, policy guidance or procedures, the information is disseminated to all staff immediately. If implementation is prior to our quarterly training meeting, then a special meeting is scheduled to discuss the changes/new information.

**WHEN:** Information is shared immediately via email, monthly during our newsletter and included in our training.

**WHERE:** All communication and training materials are housed at the main office and/or at all field offices.

**HOW:** The Executive Director reviews and approves all training materials prior to the first session, and attends some sessions to ensure information is delivered correctly.

22. List all upcoming annual training dates and make-up sessions, and the general locations for all training sessions.

**WHEN:** We provide annual training in a large group setting to all facilities in August (centers) and September (homes) each year.

**WHERE:** Training is offered in each of the 3 territories. We offer 3 makeup sessions (1 in each territory) in October and November of each year.

**COMPONENT: ADMINISTRATIVE REQUIREMENTS AND OPERATIONS**

Income Eligibility, Tier Status and Enrollment:

- 23. Indicate the position(s) responsible for collecting Income Eligibility Statements (IES) and Enrollment information and verifying completeness and accuracy of information.

**WHO:** Assigned monitors are responsible for collecting and reviewing IES and enrollment.

**WHAT:** Centers submit copies of the IES forms and Enrollment information to their assigned Monitor. After the assigned Monitor has determined the IES forms and Enrollment are complete and classified correctly, the forms are submitted to the main office and the Claims Manager performs and second review.

**WHEN:** The assigned Monitor is required to review and identify errors, request correction and require resubmission within 15 days.

**WHERE:** IES and enrollment information is housed in each facility's binder in the main office.

- 24. How do you ensure IES forms and Enrollment are collected every 12 months?

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

25. How are errors on the IES forms or in Enrollment information communicated to sponsored centers and homes?

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

26. What is the process for redetermining area eligibility status for at-risk afterschool meal programs every five years?

**WHO:** Monitors review eligibility data within their territory.

**WHAT:** All of our at-risk afterschool programs are located in public schools in the rural areas of the state. The State agency provides access to school data every year. We review and confirm our at-risk facilities remain eligible based on area eligibility. Unless the school relocates, these programs will always be eligible.

**WHEN:** Eligibility data is collected from the State agency annually and internal checks are completed within 45 days of receipt from the state.

**WHERE:** Eligibility data is housed on the State agency's website. Our internal eligibility data form is housed within each facility's binder.

**HOW:** The Fields Ops Manager verifies the Monitor's assessment and works with Clerical staff to update the facility's application, if necessary.

27. **Sponsors of homes only.** What is the process for determining tier status for newly recruited day care homes?

**WHO:** Monitor complete the enrollment for day care homes.

**WHAT:** New day care homes are given the opportunity to qualify for tier I benefits based on area eligibility or census data. If the home is also caring "provider's own", then an IES form is collected. If not eligible for tier I benefits based on school or census data, then the home can choose to complete an IES form or issue the IES form to parents for completion. If the home does not qualify for tier I benefits and does not want to issue the IES to parents, then the home will be classified as tier II.

**WHEN:** We enroll new day care homes in August each year.

**WHERE:** Tiering information is housed in each home's binder at the main office. Final tier determination is in the homes electronic application housed at the State agency.

**HOW:** The Fields Ops Manager and Claims Manager verifies final tier determinations prior to approval and submission of the first claim for reimbursement.

28. **Sponsors of homes only.** What is the process for redetermining tier status every five years?

**WHO:** Monitor complete the enrollment for day care homes.

**WHAT:** The State agency provides access to school data every year and we use it to confirm eligibility for tier I for the homes. We only take action if the home relocates and the new location no longer qualifies for tier I benefits based on area eligibility. Homes that qualify for tier I or tier II benefits based on household income are updated as needed when income changes. We use the tier determination date as an indicator of when to redetermine at the next 5-year interval.

**WHEN:** Data is reviewed annually when released by the State agency, and at the 5-year expiration date.

**WHERE:** Data is housed on the State agency's website and our internal tier determination form is included in each home's binder at the main office.

**HOW:** Redeterminations are reviewed and approved by the Field Ops Manager and Claims Manager prior to updating the homes application and submission of claim.



### Meal Patterns and Monthly Claims for Reimbursement:

29. Indicate the position(s) responsible for the development of pre-planned menus (if offered by the sponsoring organization) and/or the review and verification of credible meals and snacks on menus submitted by sponsored facilities.

**WHO:** These menus are developed by the Kitchen Manager

**WHAT:** Pre-planned menus are only offered to our affiliated centers. Homes and unaffiliated centers are required to develop their own menus.

**WHEN:** Pre-planned menus are developed and issued annually in August.

**WHERE:** Pre-planned menus are housed at the central kitchen and within each affiliated center's claims binder.

**HOW:** The Claims Manager is responsible for reviewing menus and verifying that all meals and snacks are creditable. This process is done prior to completing a claim for each facility. As a check and balance, the Accountant/Bookkeeper will select a sample of menus and confirm accuracy of the Claim Manager's review.

30. How are centers and/or homes notified of errors in the menu and disallowance of meals and snacks?

**WHO:** Clerical staff collect monthly claim documents from all facilities

**WHAT:** The Kitchen Manager reviews and evaluates each menu within 2-3 days of receipt from the facility. Menus that contain non-creditable meals are highlighted and meals/snacks are disallowed.

**WHEN:** We notify the facility of the disallowance by email immediately (same day of review) and return a copy of the menu with highlighted non-creditable items/meals within 5 days.

**WHERE:** A copy of the reduction notice, menu and number of meals/snacks disallowed is kept with the facility's claim binder at the main office.

**HOW:** The Kitchen Manager shares the evaluation results with the Claims Manager for verification prior to submission of the claim.

31. List all CACFP documents collected from centers and homes for claims processing.

**WHO:** Clerical staff collect monthly claim documents from all facilities.

**WHAT:** We collect the following documents from our centers: menus, monthly roster that contains attendance, enrollment, and IES category, and monthly receipts (unaffiliated centers). We collect the following documents from our homes: menus, monthly roster that contains attendance and enrollment information.

**WHEN:** documents are collected monthly. Facilities are required to submit claim documents by the 7th of each month for the prior month.

**WHERE:** Claim documents are housed at the main office in each facility's annual claim binder.

**HOW:** Clerical staff verify receipt of claim documents each month based on assignments and issue to the Kitchen Manager for review and evaluation. When not received by the 8th of the month, contact is made, and documents are requested.

32. Indicate the position(s) responsible for performing monthly claim edit checks.

**WHO:** Monthly edit checks are performed by the Kitchen and Claims Managers.

33. What is the process for performing required edit checks prior to the submission of the monthly claim for reimbursement?

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

34. How are centers and/or homes notified of reduction of monthly claims for reimbursement due to discrepancies in claim documents or findings cited in monitoring reviews?

**WHO:** The Claims Manager completes the final review of monthly claim data.

**WHAT:** Non-creditable items or meals/snacks are disallowed, and facilities cannot receive reimbursement. When errors are discovered during the claim review, notification is sent immediately by email within 5 days of review and a copy of the menu, eligibility or enrollment info with the highlighted errors. When errors are discovered during a monitoring visit, the monitor is required to highlight the meal/snack and write "disallowed" or update enrollment/eligibility and discuss the errors with the facility. Afterwards the monitor must scan a copy of the menu, eligibility or enrollment form and send it to the Claims Manager. If receipts indicate CACFP reimbursement is used for an unallowable cost(s), notice is sent with the disallowance of cost worksheet. Centers are required to respond within 10 days with proof of repayment and disclose where the funds came from.

**WHEN:** Staff are required to issue notice within 5 days of discovering the error. Facilities are expected to respond with corrective action by close of business and no later than the end of the next business day.

**WHERE:** All claims records and error/reduction notices are maintained at the main office in each facility's claim binder.

**HOW:** The Fields Ops and Claims Manager work together to confirm errors/discrepancies and must review corrective action to ensure future compliance. The Claim Manager updates the internal record of the error/discrepancy and impact on the final claim.

### Recordkeeping Requirements:

35. Where are records for the current year stored? Onsite  Offsite   
If offsite, indicate the address and list all staff that have access to the records.

**WHO:** The Executive Director, Claims Manager, and Fields Operations Manager have access to all records onsite.

**WHAT:** We store all records, including facility records, onsite for the entire fiscal year. Once transferred offsite, the Executive Director and Board President have access to the storage facility. We require all facilities, including homes to maintain all records for the current fiscal year onsite (**WHERE**).

**WHEN:** At the end of the fiscal year, we allow records to be transferred to an offsite storage facility. By October 31st, each facility must provide the main office with the complete address of the offsite storage facility and the date range of records transferred.

**HOW:** As part of the monitoring review, monitors verify facility records are onsite for the current year, and that location is on file for offsite storage.

36. How does the organization maintain its required records? If an electronic system is used, describe how files are stored and backed-up to ensure accessibility.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

## COMPONENT: MONITORING REQUIREMENTS:

### FTE Requirements:

- |   |     |
|---|-----|
| 37. Indicate the number of homes currently in agreement with the organization:  | 75  |
| 38. Indicate the number of centers currently in agreement with the organization:  | 150 |
| 39. Indicate the number of full-time equivalent (FTE) staff currently employed with the organization that are responsible for monitoring: | 2   |

### Review Requirements and Tracking Systems

40. Do you use review averaging to determine the number of required monitoring reviews to complete each fiscal year? YES \_\_\_ NO X

41. How do you track monitoring reviews and ensure that the required number of reviews are completed each year? Provide the resources/tools used to track reviews. List the person(s) responsible for updating the tracking tool and ensuring all updates are accurate and compliant, and where the tool is located.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

### Report Evaluation, Corrective Action and Follow Up Visits

42. Indicate the position(s) responsible to for ensuring all required monitoring reviews are completed timely and all monitoring reports are complete.

**WHO:** Field Operations Manager

43. Describe your quality review process for evaluating monitoring reports. Include the person(s) responsible for complete quality reviews and evaluating the results, and tools and materials used during the qualify review process. How do you communicate inconsistencies and discrepancies to your monitoring staff? Provide the location where qualify review reports are stored.

**WHO:**

**WHAT:**

**WHEN:**

**WHERE:**

**HOW:**

44. How is corrective action collected from homes and centers when findings are cited during monitoring reviews? If collected after the monitoring review, indicate the time frame corrective action must be submitted to the sponsoring organization's office.

**WHO:** Monitors assigned to conduct the monitoring review will receive and evaluate all corrective action responses.

**WHAT:** Monitors assigned to conduct the monitoring review will receive and evaluate all corrective action responses.

**WHEN:** For minor findings, written corrective action is collected immediately after the monitor reviews all findings at the exit conference. For more severe or complex findings, facilities are given 5 days to submit corrective action to the Monitor for review and evaluation. Afterwards, the Monitor closes out the review and submits a copy of the report to the Fields Operations Manager.

**WHERE:** Corrective action is attached to the monitoring review report and stored in the facility's file at the main office. Facilities receive a complete copy of the monitoring review report, including findings and their corrective action responses.

**HOW:** The Fields Ops Manager will review all submitted reports to verify corrective action was submitted and double-check responses to ensure they address the finding.

45. Indicate the position(s) responsible for review and evaluation of corrective action plans.

**WHO:** The Field Operations Manager is responsible for review and evaluation of CAPs.

46. How and when are follow up visits scheduled?

**WHO:** The monitored assigned to conduct the monitoring review is responsible for conduct follow up visits.

**WHAT:** Follow up visits are scheduled based on the type or severity of the finding. Findings that require change in behavior, process or procedure, or result in a disallowance of meals or costs of 10% or more require a follow up visit.

**WHEN:** Follow up visits are scheduled and conducted within 30 days of accepting written corrective action.

**WHERE:** Follow up visit reports are stored in the facility's file at the main office. Facilities receive a complete copy of the report, including findings and their corrective action responses.

**HOW:** The Fields Ops Manager will review all submitted reports to verify corrective action was implemented and the noncompliance resolved, or determine if further action is required.

## Serious Deficiency Process and Administrative Reviews (Appeals)-Day Care Home Sponsors only

47. Indicate the position(s) responsible for determining day care homes seriously deficient and evaluating corrective action plans.

**WHO:** The Field Operations Manager is responsible for reviewing all monitoring reports for completion and evaluating findings to determine if the facility should be determined SD. This position is also responsible for determining the facility SD.

48. What are the time frames for submitting corrective action plans due to serious deficiency?

**WHO:** The Fields Ops Manager is responsible for evaluating all corrective action plans submitted due to SD.

**WHEN:** All SD CAPs must be submitted within 5 days of receiving the SD notice.

49. Indicate the name(s) and title of the Administrative Review (Hearing) Official(s). Attach a copy of the organizations administrative review (appeal) procedures.

**WHO:** Alexa Best, Board Chairperson, Eats and Treats Food Program-Best Town, USA

50. What is the process for ensuring the hearing official issues decisions timely and consistent with federal regulations?

**WHO:** The governing board provides oversight of the appeals process.

**WHAT:** All appeal decisions must be issued within 30 days of the appeal hearing or the review of records.

As part of the training, we provide the hearing official with a timeline to use as a reference. Once appeals are requested, the official is required to follow the timeline to ensure time frames are met. The timeline includes the date the appeal was requested, the date of notice to the facility, the date of the appeal or review of records, and the date the decision was issued.

**WHEN:** within 30 days of issuing the final decision, the board officers meet with the Executive Director to review the complete appeal file.

**WHERE:** the complete file is maintained in the home's file in the main office.

**HOW:** the appeal file is reviewed using an internal checklist to ensure all timelines were met.



51. What is the process for training the hearing official on CACFP requirements?

**WHO:** The Executive Director and Fields Ops Manager facilitates all training to key staff

**WHAT:** The hearing official attends all internal staff quarterly meetings and at least one of the facility annual training sessions. Hearing officials receive the same materials as all other key staff of the organization. In addition, the hearing official meets with the Fields Ops Manager or Executive Director to review internal policies to learn about our SD process and system, and occasionally may accompany monitors on monitoring reviews.

**WHEN:** Training is provided annually and during quarterly staff meetings.

**WHERE:** Training is held at the main office or one of the satellite offices.

**HOW:** Annually the Executive Director reviews all staff files to ensure key staff training requirements are met. Afterwards, the info is reported to the board to complete a verification of compliance.

## ACTIVITY: BEST SPONSOR IN THE USA MANAGEMENT PLAN CHECKLIST

Follow the checklist below to assist in evaluating the management plan responses submitted by Best Sponsor. **Answer the following questions:**

1. Was the response complete? Did it answer the WHO, WHAT, WHEN, WHERE and HOW questions?
2. Based on your experience, is the response (process or procedure) compliant with the CACFP requirements?
3. When applicable, what types of supporting documentation would be needed to support the response?

Management and Organizational Structure	This section describes the general business infrastructure of the organization.	Required Records to Support Responses
<p><b>Element: Organizational Structure</b></p> <p>Responses must provide information regarding the staffing plan for the organization and for the CACFP.</p>	<p><b>Function/Activity: Describe the organization’s management and administration structure.</b></p> <ul style="list-style-type: none"> <li>• Provide daily operating hours and holiday schedule for office closures.</li> <li>• Provide the number of positions and staff names or positions/titles.</li> <li>• What are the percentage(s) of total time worked on the CACFP duties for each position?</li> <li>• What are the funding sources used to cover salary/wages earned working for the CACFP?</li> <li>• What types of benefits are offered to employees? Name the positions eligible for benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• General personnel policies and procedures</li> <li>• Organizational chart identifying all the CACFP positions</li> <li>• Compensation and benefits policy</li> <li>• Job descriptions</li> <li>• Salary/Position pay scale</li> <li>• Salary allocation methodology</li> </ul>
<p><b>Element: Outside Employment Policy</b></p> <p>Responses must detail an effective outside employment policy and procedure.</p>	<p><b>Function/Activity: Describe the board composition and governance structure</b></p> <ul style="list-style-type: none"> <li>• Indicate the position responsible for evaluating outside employment requests.</li> <li>• How are outside employment requests documented and evaluated?</li> <li>• What happens when the outside employment appears to be a conflict of interest?</li> <li>• Where is the outside employment policy housed?</li> </ul>	<ul style="list-style-type: none"> <li>• Outside employment policy</li> <li>• Procedures for evaluating requests</li> <li>• Procedures for communicating final decisions</li> </ul>

Management and Organizational Structure	This section describes the general business infrastructure of the organization.	Required Records to Support Responses
<p><b>Element: Governing Boards</b></p> <p>Responses must describe how the governing body is accountable for the CACFP by providing oversight of the CACFP operations.</p>	<p><b>Function/Activity: Describe the board composition and governance structure.</b></p> <ul style="list-style-type: none"> <li>• Provide the total number of members, officer positions, and term requirements.</li> <li>• Indicate all relationship(s) of board members to each member or staff performing the CACFP duties.</li> <li>• What is the screening and selection process, voting process, and compensation structure?</li> <li>• How many meetings are scheduled per year? What are the quorum requirements and upcoming meeting dates?</li> <li>• What is the process for handling conflicts of interest and related party transactions?</li> </ul>	<ul style="list-style-type: none"> <li>• Board policies and procedures</li> <li>• Bylaws or articles of incorporation</li> <li>• Shareholders' agreement</li> <li>• Board meeting minutes</li> <li>• Screening process/application for new members</li> </ul>
<p><b>Financial Management</b></p> <p>Responses must demonstrate the organization's ability to meet and maintain financial viability; manage federal funds; receive, track and disburse funds; execute effective internal controls; and ensure accountability</p>	<p><b>Function/Activity: Demonstrate financial viability and fiscal position.</b></p> <ul style="list-style-type: none"> <li>• What are the financial resources available to operate the CACFP?</li> <li>• What funding source(s) are available to cover overpayments, claims against the organization, or program costs due to temporary interruption of reimbursement?</li> <li>• What are the allocation methods used for shared program costs?</li> <li>• What type of system is used to track Program and non-Program costs?</li> <li>• Who (position/staff name) is responsible for monitoring expenses and the budget throughout the year?</li> <li>• How are financial transactions reported and tracked?</li> </ul>	<ul style="list-style-type: none"> <li>• List of funding sources</li> <li>• Cost allocation plan</li> <li>• Indirect cost plan</li> <li>• Bank statements</li> <li>• Chart of accounts/financial codes</li> <li>• Independent audit</li> <li>• Audited financial statements</li> </ul>

Management and Organizational Structure	This section describes the general business infrastructure of the organization.	Required Records to Support Responses
	<p><b>Describe the organization's financial management system.</b></p> <ul style="list-style-type: none"> <li>• What accounting method do you use? (Cash, Accrual or Modified Accrual)</li> <li>• Do you maintain a separate or commingled account for the CACFP expenses? What is the process for distinguishing between non-Program and Program expenses?</li> <li>• Who is responsible for reviewing and approving the CACFP expense requests?</li> <li>• Who ensures reimbursement payments are issued in a timely manner to facilities?</li> <li>• What is the process for verifying accuracy of monthly claims?</li> <li>• What is the process for ensuring that the lesser of actual cost or 15 percent of reimbursement is withheld for administrative cost (sponsors of centers only)?</li> <li>• How is the percentage withheld from sponsored centers for administrative fees determined?</li> </ul>	

## ACTIVITY: BEST SPONSOR IN THE USA STATE AGENCY'S MANAGEMENT PLAN CHECKLIST

Follow the checklist below to assist in evaluating the management plan responses submitted by Best Sponsor. Answer the following questions:

1. Was the response complete? Did it answer the WHO, WHAT, WHEN, WHERE and HOW questions?
2. Based on your experience, is the response (process or procedure) compliant with the CACFP requirements?
3. When applicable, what types of supporting documentation would be needed to support the response?

Administrative Requirements and Operations	This section describes the organization's internal processes and procedures for meeting the CACFP requirements.	Recommended Documentation
<p><b>Element: Collection of Income Eligibility Statements (IES) and Annual Enrollment</b></p> <p>Responses must describe the organization's process and procedures for collecting and reviewing IES forms and ensuring accurate classification and for verifying annual enrollment for participants..</p>	<p><b>Function/Activity: Describe the process for meeting IES and Enrollment Requirements.</b></p> <ul style="list-style-type: none"> <li>• How do you collect IES and enrollment forms from facilities each year?</li> <li>• Who is responsible for verifying completion and accuracy of the IES and enrollment forms?</li> <li>• How do you notify facilities of errors or missing information?</li> <li>• What is your system for maintaining IES and enrollment forms in your office? Who has access to these records?</li> <li>• Where are IES and enrollment forms housed?</li> </ul>	<ul style="list-style-type: none"> <li>• Internal processes and procedures on reviewing, evaluating and maintaining IES and enrollment forms</li> <li>• Instructions on accessing electronic systems, if applicable</li> <li>• Copies of notices to facilities regarding errors, missing information, or reclassification of meal categories</li> </ul>
<p><b>Element: Validating Claim Data</b></p> <p>Responses must describe the process for evaluating claim records prior to submission for reimbursement.</p>	<p><b>Function/Activity: Describe the process for claim validation.</b></p> <ul style="list-style-type: none"> <li>• What records do you collect from facilities to support the monthly claim for reimbursement?</li> <li>• What is the system or process used to collect claim data from facilities? Is the system manual or electronic?</li> <li>• Who is responsible for performing claim edit checks?</li> <li>• How do you ensure each facility's claim only includes approved meal types?</li> </ul>	<ul style="list-style-type: none"> <li>• Internal processes and procedures on performing edit checks prior to claim submission</li> <li>• Instructions on accessing electronic systems, if applicable</li> <li>• Copies of notices to facilities regarding errors, missing information, or invalid claims</li> </ul>

	<ul style="list-style-type: none"> <li>• How do you use total enrollment, attendance, and the meal counts reported in the claim to verify accuracy?</li> <li>• What is your system for maintaining claim records in your office? Who has access to these records?</li> <li>• Where are facility claim records housed?</li> </ul>	<ul style="list-style-type: none"> <li>• Copies of notices to facilities regarding reduction in reimbursement</li> <li>• Internal processes and procedures for collecting monthly claim records from facilities</li> </ul>
<p><b>Element:</b></p>	<p><b>Functions/Activity: Describe how records are collected and maintained</b></p> <ul style="list-style-type: none"> <li>• Who/what position has access to records?</li> <li>• Where are current year's records stored? Where are prior years' records stored? Include the complete address for the location if offsite.</li> <li>• What system is used to collect, maintain and store records?</li> <li>• How are facility records maintained and stored?</li> <li>• How are sponsor records maintained and stored?</li> <li>• How do you communicate changes to required forms for facilities?</li> </ul>	<ul style="list-style-type: none"> <li>• Internal processes and procedures for maintaining records</li> <li>• Internal processes and procedures for preparing records for storage</li> </ul>
<p><b>Element: Meal Pattern Compliance</b></p> <p>Responses must demonstrate the process for verifying creditable meal service prior to claim submission.</p>	<p><b>Function/Activity: Describe the process for menu verification</b></p> <ul style="list-style-type: none"> <li>• Describe the system used to document menus (manual forms or electronic system).</li> <li>• Who is responsible for developing menus for facilities?</li> <li>• How often are menus submitted to the sponsor's office?</li> <li>• Who is responsible for review and evaluation of menus?</li> <li>• How do you communicate errors, missing information, and noncreditable meals?</li> <li>• How do you notify facilities of the reduction in reimbursement?</li> <li>• What is your system for maintaining menus and meal planning forms in your office? Who has access to these records?</li> </ul>	<ul style="list-style-type: none"> <li>• Internal processes and procedures on reviewing and evaluating menus and/or meal planning documentation</li> <li>• Instructions on accessing electronic systems, if applicable</li> <li>• Copies of notices to facilities regarding errors, missing information, or noncreditable meals</li> <li>• Copies of notice to facilities regarding reduction of reimbursement</li> </ul>

## ACTIVITY: BEST SPONSOR IN THE USA STATE AGENCY'S MANAGEMENT PLAN CHECKLIST

Follow the checklist below to assist in evaluating the management plan responses submitted by Best Sponsor. Answer the following questions:

1. Was the response complete? Did it answer the WHO, WHAT, WHEN, WHERE and HOW questions?
2. Based on your experience, is the response (process or procedure) compliant with the CACFP requirements?
3. When applicable, what types of supporting documentation would be needed to support the response?

Monitoring Requirements	This section describes the organization's process for performing required monitoring duties	Recommended Documentation
<p><b>Element: Staff to Perform Monitoring Duties</b></p> <p>Responses must demonstrate compliance with staffing standards and monitoring visit requirements.</p>	<p><b>Function/Activity: Describe the organization's staffing structure to meet monitoring requirements.</b></p> <ul style="list-style-type: none"> <li>• How many full-time monitors do you have? How many part-time monitors do you have?</li> <li>• How much of each monitor's time worked is spent on monitoring?</li> <li>• How do you assign monitoring reviews?</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing plan with monitor names/ positions, number of facilities assigned to review, and percentage of time worked performing monitoring duties</li> <li>• Job descriptions for the monitor position</li> </ul>
<p><b>Element: Tracking System</b></p> <p>Responses must describe how the organization tracks visits and ensures compliance with monitoring time frames.</p>	<p><b>Function/Activity: Describe the system used to meet monitoring time frames.</b></p> <ul style="list-style-type: none"> <li>• How do you schedule monitoring visits?</li> <li>• How do you ensure that the accurate number of monitoring visits are completed each year when using review averaging?</li> <li>• How are monitoring visits tracked (electronically, manually on a calendar, etc.)?</li> <li>• Who is responsible for developing the monitoring schedule and assigning reviews?</li> <li>• Where is the schedule housed?</li> <li>• How do you add or remove visits from the schedule?</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring schedule, assignments, and territories, if applicable</li> <li>• Instructions for accessing the monitoring schedule, if electronic</li> <li>• Internal processes and procedures for adding or removing visits</li> </ul>

Monitoring Requirements	This section describes the organization's process for performing required monitoring duties	Recommended Documentation
<p><b>Evaluating Monitoring Reports</b></p> <p>Responses must describe how reports contain accurate information and how visits are consistently completed by staff, as well as recordkeeping practices.</p>	<p><b>Function/Activity: Describe the evaluation process for complete monitoring visits.</b></p> <ul style="list-style-type: none"> <li>• Who is responsible for completing a quality review of monitoring reports and ensuring completion and accuracy?</li> <li>• What is your quality reviews process?</li> <li>• When are quality reviews conducted?</li> <li>• Where are reports maintained?</li> <li>• How are concerns with reports discussed with staff and corrected?</li> </ul>	<ul style="list-style-type: none"> <li>• Internal processes and procedures for evaluating reports for accuracy</li> <li>• Written documentation on work performance</li> <li>• The quality review process or checklist</li> </ul>





**CORE**

CACFP OPERATIONAL  
RESOURCES & EDUCATION

MH Miles Company CPA PC  
1945 Mason Mill Road  
Suite 200  
Decatur, GA 30033

404-633-4555  
[info@core-cacfp.com](mailto:info@core-cacfp.com)  
[www.core-cacfp.com](http://www.core-cacfp.com)

# CORE PARTICIPANT GUIDE