



**Georgia Dept
of Early Care
and Learning**

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Area **Memo:
Monitoring**

Programs **CACFP**

Monitoring Requirements

Legal Authority

7 CFR 226.16(d)(4)

Cross Reference/see also

GA DECAL Policy Memorandum, *Monitoring Requirements - Monitoring Sponsored Centers Non-profit Food Service and Procurement Procedures*, October 1, 2021

Definitions

For the purposes of this memorandum, a "**sponsoring organization**" means a public or nonprofit private organization that is entirely responsible for the administration of the food program in:

1. A childcare center, emergency shelter, at-risk afterschool care center, outside- school-hours care center, or adult day care center which is a legally distinct entity from the sponsoring organization;
2. Two or more childcare centers, emergency shelters, at-risk afterschool care centers, outside-school-hours care center, or adult day care centers; or
3. Any combination of childcare centers, emergency shelters, at-risk afterschool care centers, outside-school-hours care centers, and adult day care centers. The term "sponsoring organization" also includes an organization that is entirely responsible for administration of the Program in any combination of two or more child care centers, at-risk afterschool care centers, adult day care centers or outside-school-hours care centers, which meet the definition of *For-profit center* in this section and are part of the same legal entity as the sponsoring organization.
4. "Day care home" [also known as a Family Child Care Learning Home], means an organized nonresidential childcare program for children enrolled in a private home, licensed or approved as a family or group day care home and under the auspices of a sponsoring organization. (7 C.F.R. § 226.2). A day care home provides nonresidential childcare services to children in their

personal, private residence or dwelling.

Purpose

The purpose of this memorandum is to notify Child and Adult Care Food Program (CACFP) sponsoring organizations (affiliated and unaffiliated) of the required CACFP monitoring requirements and to provide cross references to new policy guidance. Additionally, this memorandum is designed to provide guidance and assist sponsoring organizations in meeting the outlined monitoring requirements for all sponsored facilities.

Program Requirements

Sponsoring organizations are responsible for reviewing the food service operations of their sponsored facilities to assess compliance with meal patterns, licensing/approval status, attendance at training, meal counts, recordkeeping (menu and meal records), the annual updating and content of enrollment forms (if the facility is required to have enrollment forms), and other Program requirements. Reviews must be made at least three times each year at each facility (unless the sponsoring organization has elected to use a review averaging system- See *Section II below. Review Averaging*).

Full Time Equivalent (FTE) requirements

As per 7 CFR 226.16(b)(1), sponsoring organizations must document within the management plan and be able to provide evidence upon request that the organization has sufficient staff employed to properly monitor the day care homes and/or childcare centers it sponsors. For sponsors of day care homes, the sponsor must document that it employs the equivalent of one full-time staff person for each 50 to 150 day care homes it sponsors. For sponsors of childcare centers, the organization must document that it employs the equivalent of one full-time staff person for each 25 to 150 centers it sponsors.

Please keep in mind that regulation does not require sponsoring organizations to employ staff to solely perform monitoring of sponsored day care homes and/or childcare centers. Monitoring responsibilities may be divided amongst multiple employees; however, the number of hours dedicated to monitoring responsibilities among those employees must be equivalent to one full time staff person for sponsored daycare homes numbering 50-150 and sponsored childcare centers numbering 25-150.

Monitoring responsibilities are not limited to physical monitoring of sponsored facilities. Monitoring responsibilities can include but may not be limited to:

- Employee's time spent on scheduling;
- Travel time;
- Review time;
- Follow-up activities;
- Report writing; and
- Activities related to the annual updating of children's enrollment forms.

Pre-Operational Visits and New Facility Reviews

Pre-Operational visits must be conducted on all "new" facilities. "New" is defined as a facility that has never operated the CACFP under the auspices of the sponsoring organization or which has operated under the sponsoring organization but has had a six-month break in participation. Pre-operational visits are **not** considered reviews and must not be included as such when calculating the number of reviews completed. (*Pre-Op forms for centers and homes can be found in Section III below. Other Review Requirements*).

If a "new" facility, at least one of these three reviews must be made during the facility's first four weeks of Program operation. Each facility, therefore, would be expected to have three reviews conducted except when the facility does not operate the CACFP for the entire federal fiscal year depending on approval date. Therefore, prorating the number of visits based on the start date of the organization is allowed.

The following guidelines must be followed:

- If the month that a facility is approved to submit claims falls between the months of **Oct-Jan**, the facility would need to be reviewed **three times** before the end of the fiscal year;
- If the month that a facility is approved to submit claims falls between the months of **Feb-May**, the center would need to be reviewed **two times** before the end of the fiscal year;
- If the month that a facility is approved to submit claims falls between the months of **June-September**, the facility would need to be reviewed **one time** before the end of the fiscal year.
 - Because Federal regulations require at least two unannounced reviews for each facility, if a facility does not begin operation of the CACFP at the beginning of the year and less than three reviews will be made, then each review must be unannounced.
 - Because Federal regulations require that at least one unannounced review include the observation of a meal service, if a facility begins operation at a time in the year where only one review will be required, that review must be both unannounced and include the observation of a meal service.

For sponsored centers, the month that the center is approved to claim reimbursement for the CACFP is the beginning of the month in which the application for that site is complete. In the case of sponsored centers, there could be scenarios where the center's application was completed on the last day of the month, and the approval is "backdated" for the beginning of that month. While it may not be possible to actually conduct a review in the 4-month period for which the approval month falls into, a review will still need to be conducted based on the approval date. The review will actually be conducted in the following 4-month period. Day Care Home Sponsors are required to submit provider applications by the 5th of the month in order for that home to be approved for participation in the same month. While the submission date for Day Care Home Sponsors is different, the same review guidelines would apply.

The following is an example pertaining to sponsored centers:

An application is submitted to DECAL on Jan. 15th. All materials are complete Jan. 31st, and the facility is approved to operate effective January 2021. Because the actual completion of the application did not occur until Jan. 31st, it is unlikely that the sponsoring organization will be able to conduct a review for Oct-Jan. period. However, because the effective date of operation fell into this period, three reviews will be required for that facility for the federal fiscal year. Additionally, the first review must occur within the first

four weeks of operation after approval.

I. Frequency and Type of Required Number of Reviews

Per 7 CFR 226.16(d)(4)(iii), sponsoring organizations must review each facility **three times a year**, except as provided in 7 CFR 226.16(d)(4)(iv) which will be discussed later in this document.

In addition:

- DECAL defines a "year" as the Federal Fiscal Year, which runs from October 1st to September 30th.
- At least two of the three reviews must be unannounced;
- At least one unannounced review must include observation of a meal service;
- At least one review must be made during each new facility's first four weeks of Program operations;
- Not more than six months may elapse between reviews; and
- Follow-up reviews may need to be conducted. (If, in conducting a facility review, a sponsoring organization detects one or more serious deficiency, a follow-up review will need to be scheduled to assess whether the facility has corrected problems of a serious nature that were found during the previous review. This review must be unannounced, regardless of the type of facility. Serious deficiencies are described in 7 CFR 226.16 (l)(2).

The average review cycle would be conducted every 4 months, one review between Oct-Jan., one between Feb-May, and the last review between June-September. Although, if a facility is an At-Risk afterschool care center, outside-school-hours care center or another facility type that traditionally does not operate during the summer months, the review cycle may vary. However, the sponsor must still review the facility three times in the federal fiscal year (October 1st-September 30th).

II. Review Averaging

Federal regulations 7 C.F.R. §226.16(d)(4)(iv) permit sponsoring organizations to utilize a review averaging system when completing their annual monitoring requirements. If a sponsoring organization, using review averaging, conducts two unannounced reviews of a facility in a year and finds no serious deficiencies, the sponsoring organization may choose not to conduct a third review of the facility that year. Keep in mind that if a specific facility receives two reviews in one year, its first review in the next review year must occur no more than nine months after the previous review.

How Averaging Works

Review averaging allows the sponsoring organization to focus more of its attention on the sponsored facilities that have findings or are seriously deficient. Sponsoring organizations must conduct more than three reviews on some of their sponsored facilities in order to have

conducted an average of three reviews per facility at the end of the review year. Sponsoring organizations can review facilities that are in "good standing" less frequently so that sponsored facilities that are seriously deficient, have findings, repeat findings, and/or health and sanitation findings can receive more than three reviews during the review year. This allows sponsoring organizations to ensure that facilities that need more attention are operating in compliance with Program regulations and policies. The sponsoring organization will not conduct less reviews per year than if three reviews were conducted for each facility. The distribution of the reviews among sponsored facilities will be different.

Averaging only works when at least one facility has more than three reviews for the year due to serious deficiencies found. The number of reviews the sponsoring organization conducts at the "problematic" facility is used to balance or average the reviews that were not conducted at the facility that is performing well and meeting the regulations. Therefore, if some facilities sponsored are not receiving more than three visits, it is not possible to average reviews, and all sponsored facilities would need to have the required number of reviews for the federal fiscal year according to their start date.

Minimum Number of Reviews

Each state is required to determine the minimum number of reviews that must be conducted by each sponsoring organization for the federal fiscal year when review averaging is used. The minimum number of reviews that must be completed by a sponsoring organization is obtained by adding together the maximum number of active and approved facilities for each trimester in the federal fiscal year.

For example, in the first trimester (Oct.-Jan), the highest number of facilities sponsored was 50. In the second trimester (Feb.-May), the sponsor had 60 approved facilities, and for the third trimester (June-Sept), the highest number of facilities sponsored was 70. To determine the minimum number of reviews that must be conducted, the highest number of sponsored facilities for each trimester is added together. 180 is the minimum number of reviews that must be completed in order to use review averaging.

Sponsoring organizations must meet all of the review elements described in 7 CFR 226.16(d)(4)(i) in order to be counted as a 'review' and utilize the GA DECAL monitoring instructions and form. Conducting a follow-up review does not meet an additional review unless all elements are reviewed. Additionally, sponsoring organizations will be required to maintain documentation of their averaging system. Sponsoring organizations may utilize the "Sponsoring Organization Minimum Review Worksheet" (which can be accessed [here](#)) that will assist them in calculating and determining the minimum number of reviews that are required by federal regulations and DECAL policy. Inappropriate use of the review averaging system may result in the sponsoring organization being declared seriously deficient and prohibited from utilizing review averaging in the future.

III. Other Review Requirements

Sponsoring organizations must provide each sponsored facility with written notification of the right of the sponsoring organization, Bright from the Start: Georgia Department of Early Care and Learning (DECAL), and/or any of its agents to make announced or unannounced reviews

of its operations during the facility's normal hours of operation, and must also notify sponsored facilities that anyone making such reviews must show photo identification which demonstrates that they are employees of one of these entities.

Sponsoring organizations are required to use the monitoring form provided by GA DECAL unless the organization submits and receives approval to use an alternate form. Any form submitted for alternate approval must indicate the requirements found at 7 CFR 226.16(d)(4) and DECAL CACFP Policy Memorandum, [Monitoring Requirements - Monitoring Sponsored Centers Nonprofit Food Service and Procurement Procedures](#) will be met during the review. Monitoring forms must be completed in their entirety and all applicable/required records should be attached to the form. DECAL and/or authorized representatives will confirm during State Agency monitoring reviews that documentation is on file and that State and Federal requirements are being met.

The Sponsoring organization should utilize the following review instructions and the monitoring form applicable to CACFP facilities or Family Child Care Learning Homes.

- [Child Care Center Monitoring Form Instructions](#)
- [Child Care Center Monitoring Form](#)
- [Family Child Care Learning Home Monitoring Instructions](#)
- [Family Child Care Learning Home Monitoring Form](#)
- [Adult Day Care Center Monitoring Form Instructions](#)
- [Adult Day Care Center Monitoring Form](#)
- [Preoperational Visit Form & Instructions](#)
- DCH Preoperational Visit Form (form available in attachment below)

IV. Five-Day Reconciliations

Sponsoring organization's monitoring review also consists of conducting a reconciliation of a sponsored facility's meal counts with enrollment and attendance records for a five-day period. Reviews must examine the meal counts recorded by the facility for five consecutive days during the current and/or prior claiming period. For each day examined, monitors must use attendance and/or enrollment records to determine the number of participants in care during each meal service and attempt to reconcile those numbers to the number of breakfasts, lunches, suppers, and/or snacks recorded in the facility's meal count for that day. Based on that comparison, monitors must determine whether the meal counts were accurate. If there is a discrepancy between the number of children enrolled or in attendance on the day of the review and prior meal counting patterns, the monitor must attempt to reconcile the difference. Meals should not be disallowed if there is a reasonable explanation for the inconsistency. If there is no reasonable explanation provided, sponsors must disallow the meals in question.

If it is found that there is a 20% or greater discrepancy between the number of meals claimed and the participants in attendance and/or enrolled, sponsors must disallow the excess meals and conduct household contacts to verify the accuracy of the attendance and

enrollment records. Please see [DECAL Policy Memorandum - Household Contact Requirements](#) for further guidance on conducting household contacts.

Sponsors are also required to conduct household contacts in compliance with Federal regulations and DECAL policy as part of their monitoring responsibilities (See DECAL Policy Memorandum, *Household Contact Requirements*, October 1, 2020).

Please note that if day care homes or centers submit claims with meal counts, attendance, and enrollment through an automated data system, sponsors would not be required to conduct five-day reconciliations if the automated system separates attendance from meal counts and compares both of these elements to enrollment. Automated methods that check, for a consecutive five-day period, all of the required elements (enrollment, attendance, and meal counts) may take the place of the reconciliation. However, the monitor is expected to validate the accuracy of the data entered into the sponsor's automated system as part of the normal review of a day care home or center's daily record. Please see DECAL Policy Memorandum [Conducting Five-Day Reconciliation in the CACFP with Questions and Answers](#).

Effective in FY2022, sponsoring organization of both affiliated and unaffiliated centers must monitor their sponsored center's non-profit food service and procurement procedures as outlined in DECAL CACFP Policy Memorandum, [Monitoring Requirements - Monitoring Sponsored Centers Non-profit Food Service and Procurement Procedures](#). As noted in that memo, **sponsors of day care homes are exempt from meeting this requirement.**

Comments

For questions concerning this memorandum, please contact Nutrition's Policy Administrator at (404)651-8193.

Attachments

[PreopformDCHproviders \(5\).doc](#)