

SECTION 5: State Agency Monitoring Review Process

At-Risk Afterschool Care Centers and Outside School Hours Care Centers participating in CACFP will be reviewed to monitor compliance with program regulations.

- Technical Assistance Reviews for New Sponsors
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- Materials Needed for a CACFP Monitoring Review
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State Agency Monitoring Review Process

The United States Department of Agriculture (USDA) requires the Missouri Department of Health and Senior Services-Community Food and Nutrition Assistance (DHSS-CFNA) to ensure that the sponsors, which include both CACFP facilities and Sponsoring Organizations (SOs), are accountable for all reimbursements received in compliance with program regulations. Each program will be reviewed for compliance with the Child and Adult Care Food Program (CACFP) Regulations 7 CFR 226 and other pertinent federal regulations. Sponsors will also be reviewed to ensure that they follow the guidelines in this manual and the guidelines in the CACFP contract and Scope of Work.

Technical Assistance Visit

DHSS-CFNA wants you to be successful, so we recommend that new sponsors receive a technical assistance review within the first six months of operation. Your District Nutritionist will contact you to offer a Technical Assistance (TA) Review within the first three to six months after you submit at least one claim.

This technical assistance review is conducted similarly to a monitoring review and will provide feedback that will help you be more successful on your first monitoring review. A technical assistance review is not required, but sponsors that have a TA review often have fewer findings at their first monitoring review.

Your technical assistance review will include a review of your records and menus, as well as your Civil Rights compliance. It may also include an observation of a meal service and a sanitation inspection.

The purpose of the TA Visit is to review your records and procedures with you for program compliance, answer any program questions you might have, and provide you with the guidance needed to help you be successful with CACFP. A TA visit is not punitive in nature and is strictly meant to help facilitate your organization's success. This visit can help reduce findings and the need for corrective actions in the future during monitoring reviews.

Monitoring Reviews

To ensure compliance, each sponsor will be reviewed by DHSS-CFNA at least once every three years in a CACFP monitoring review, although most will be reviewed a minimum of every two years. A sponsor may be reviewed for compliance at any time.

Program monitoring reviews may or may not be announced in advance. If announced in advance, the sponsor will receive a letter, and the review will be conducted within the week specified in the letter. No advance notification will be given for unannounced reviews. The center may contact our office (800-733-6251) if there are days that they know they will not be available.

The USDA requires sponsors to maintain complete and accurate original Child and Adult Care Food Program (CACFP) records. Records must be kept at the physical location noted on the

Management Plan for independent facilities and multi-site SOs. It is preferable that the records be stored at the independent facilities when possible.

During monitoring reviews, **all original program records must be maintained on location and made available for review within one hour of arrival by state and/or federal officials.** *Failure to have CACFP records available will result in findings, corrective action and/or overclaims; DHSS-CFNA may disallow up to twelve months of claims for reimbursement the center or SO must repay.*

Sponsors must maintain all required original records, not copies, on file for a period of three full fiscal years after the final claim for reimbursement for the fiscal year was submitted or longer if audit findings have not been resolved. The federal fiscal year begins October 1 and ends September 30.

The **Materials Needed for a CACFP Monitoring Review** checklist, on the next page, is provided to help organizations prepare for the review.

The monitoring review will include a review of your records and menus, as well as your Civil Rights compliance. It will also include an observation of a meal service and a sanitation inspection.

If the State Agency (SA) reviewer finds that the sponsor did not comply with the CACFP regulations during the monitoring review, the sponsor will be given “findings” for each incident of non-compliance.

Immediately after the monitoring review, the SA reviewer and sponsor will meet for an exit review to discuss the results of the review, including positive observations and non-compliant findings.

Some findings may result in the disallowance of meals that were claimed during the month of review. There could be many reasons for this, including, but not limited to:

- Errors in counting and meal consolidation
- Not counting meals accurately
- Serving meals that did not include all of the required meal components
- Serving foods that are not creditable
- Not purchasing enough of certain foods, especially milk, for the number of meals that were claimed

The balance owed to CACFP will be recovered by deducting the funds owed from your remaining monthly CACFP claims for reimbursement payments until paid in full. If funds are owed and no additional claims are submitted, the sponsor must remit payment of the amount owed by check or money order. Failure to repay a debt will lead to a sponsor being declared seriously deficient.

After the SA reviewer has conducted the monitoring review, a letter indicating that a review has been conducted will be sent to the sponsor. If no findings are found during the review, the sponsor will receive a “No Findings” letter with a certificate celebrating this achievement.

If there were findings associated with the review, the letter will include instructions on how to view and address the findings by submitting a Corrective Action Plan (CAP) in the CNPWeb under the eReviews tab.

Corrective Action Plan

A CACFP sponsor is responsible for responding to monitoring review findings (instances of non-compliance) by completing a Corrective Action Plan (CAP).

On the “Corrective Action Responses” link on the eReviews tab of the CNPWeb, the sponsor will address each finding indicated on the report, explaining how each finding will be corrected, who will be responsible for correcting the finding, and the date by which the finding will be corrected. You will also need to upload any supporting documentation as required.

Each CAP will have a due date. The sponsor will have **three weeks** from the date of the review letter to respond to the findings. Failure to respond to the review letter could affect the sponsor’s ability to participate in the CACFP and may result in the sponsor being classified as Seriously Deficient. After the SA reviewer has reviewed and approved the CAP, a closeout letter will be sent to the sponsor.

How to Complete a CAP

Before the center can submit its corrective actions, it must determine **WHAT** the problem is and **WHY** it is occurring.

The CAP must clearly state the following:

- **HOW** the problem can be prevented or eliminated. Do not merely restate the finding or assure that the mistake will not happen again. The solution must be a process – include specific steps that have been taken to correct the finding, and what extra steps will be taken to make sure this problem does not occur again.
- **WHEN** the problem was corrected.
- **WHO** will be responsible for ensuring the corrections were made and that written policies and/or procedures will be maintained.

Recommendations:

- It is critical that the CAP be completed thoughtfully and thoroughly.
- It is wise to send the CAP in early in case corrections are recommended.

Serious Deficiency Process

If serious violations are found during a monitoring review or a sponsor fails to pay a debt, the sponsor must be determined as Seriously Deficient (SD). USDA regulations define Seriously Deficient (SD) as the status of a sponsor that has been determined to be non-compliant in one or more aspects of its program operation. A sponsor that is determined to be currently SD or has been terminated from any federal child nutrition program may not enter into an agreement to participate in the CACFP.

The individuals noted on the Sponsor and Center Information Sheets on the Application in the CNP web-based system are considered responsible individuals or responsible principles of the program.

By virtue of the management position, the “responsible person” has administrative and financial responsibility for the oversight, management, integrity, and compliance of the CACFP and applicable regulations.

As a contracted provider of the CACFP, sponsors must maintain records and provide access to any records or documents to authorized representatives of the Department, State, and Federal government for inspection upon request.

If you are found to be seriously deficient, you will be given the opportunity to correct the findings that led to this determination. However, if an adequate CAP is not submitted on time and implemented fully at the facility, the CACFP will move to terminate the sponsor from the program.

Materials Needed for a CACFP Monitoring Review

All records must be retained for 3 full fiscal years. All facilities must retain original records.

Download forms at: www.health.mo.gov/cacfp

- ☐ Daily attendance records (CACFP-213) **and** meal count sheets (CACFP-225 or CACFP-225A).
- ☐ Documentation of nonprofit foodservice includes verification of food service expenditures including: food purchase receipts or invoices; labor and indirect costs (CACFP-214), and income to your food program, if applicable.
- ☐ Daily dated menus that meet CACFP requirements.
- ☐ Documentation of ethnic and race data collected through self-identification and self-reporting methods (For example, enrolled sites - IEF/Enrollment, non-enrolled sites- Outreach & Beneficiary Data Survey (CACFP/SFSP-650). Compile data on Beneficiary Data Report (CACFP-226) or Sponsored Centers Site Visit Report (CACFP 404) if a sponsoring organization. Other forms may be approved by DHSS-CFNA to collect ethnic and racial data through self-identification and self-reporting methods.
- ☐ Recipes for homemade menu items.
- ☐ Processed food documentation: Child Nutrition (CN) label or manufacturer's Product Formulation Statement (PFS).
 - Frankfurters/hot dogs, bologna, and other similar products are creditable without a CN label when free of byproducts, cereals, or extenders. The product ingredient list from the original package for these items must be kept on file to document compliance.
 - Documentation to verify that commercial tofu served met protein requirements, such as the product's Nutrition Facts Label (NFL). A CN label or PFS is required for processed tofu products such as links and sausages made from tofu.
- ☐ Documentation to verify whole grain-rich requirements are met, such as a product ingredient list.
- ☐ Documentation to verify that the grains served met the minimum grain oz. eq. required by age. Documentation may include the product's NFL, a CN label, a PFS, or a standardized recipe.
- ☐ Documentation to verify breakfast cereals (ready-to-eat, instant, or hot) and yogurt served are within the required sugar limits, such as the product's NFL.
- ☐ If meals are catered/vended, a copy of the food service contract, most recent sanitation inspection, **and** production records for all catered/vended meals.
- ☐ Medical food substitution forms (CACFP-227), if applicable.
- ☐ Documentation of CACFP training (CACFP-222) conducted by the center management staff, which includes dates, locations, topics, and names of staff participants.
- ☐ A copy of the most recent sanitation inspection report conducted by the state or local health department, if applicable.
- ☐ "And Justice for All" and "Building for the Future" posters posted in a location visible to the public.
- ☐ If a sponsoring organization, documentation of site monitoring visit reports (CACFP-404) for the current **and** past year.
- ☐ Copy of the original contract agreement, along with contract amendments for the sponsor agency, if needed, contact the central office at 800-733-6251.

Child Care Centers also need original documentation of:

- ☐ CACFP enrollment records (CACFP-229) or Office of Child Care/CACFP (MO 500-3317) combined form with the original date of enrollment for all children.
- ☐ Income Eligibility Form (CACFP-205) signed and dated by parent or guardian and center representative.
- ☐ CACFP Parent letter and any additional CACFP information provided to parents.
- ☐ "WIC outreach" poster posted in a location visible to the public.
- ☐ If licensed for infants, the individual Infant and Toddler Feeding and Care Plan form (MO 500-3306) **and** individual infant meal records.
- ☐ If contracted to provide care for children enrolled in Early Head Start or Head Start Programs, an official roster from the Head Start Administrative office must be provided to verify eligibility for free meals.
- ☐ For-profit centers must provide billing invoices for participants who are beneficiaries of Title XX.

Adult Day Care Centers also need original documentation of:

- ☐ Income Eligibility Form (CACFP-501) signed and dated by participant or guardian and center representative.
- ☐ CACFP enrollment records (CACFP-635) for all participants.
- ☐ An individual plan of care for each functionally impaired participant under 60 years of age.
- ☐ For-profit centers must provide billing invoices for participants who are beneficiaries of Title XX or XIX.
- ☐ CACFP Participant letter and any additional CACFP information provided to participants.

At-Risk Afterschool programs also need original documentation of:

- ☐ Enrichment program plans.
- ☐ Outreach & Beneficiary Data Survey (CACFP/SFSP-650).
- ☐ The most recent fire **and** sanitation inspection report, if applicable. This is required for all locations that do onsite meal preparation and all locations that care for children under the age of five..

Emergency/Homeless Shelters also need original documentation of:

- ☐ Daily resident roster documenting the participant's date of birth, the date the participant entered and left the shelter, and the dates the participant was claimed for meal reimbursement.
- ☐ Copy of the most recent fire **and** sanitation inspection report.
- ☐ Monthly donated food log.
- ☐ Outreach & Beneficiary Data Survey (CACFP/SFSP-650).

Appeal Procedure

The request for administrative review (appeal) of adverse action taken by Department of Health and Senior Services-Community Food and Nutrition Assistance (DHSS-CFNA) must be submitted in writing to DHSS-CFNA no later than **15 calendar days** after the date the notice of action is received.

Appeals of the Department of Health and Senior Services (DHSS) actions are conducted before an independent administrative hearing officer in the DHSS Appeals Unit. To contact the DHSS Appeals Unit, call (573) 522-1699, fax (573) 751-0247, or email DHSS.Appeals@health.mo.gov.

What can be appealed?

A sponsor may appeal any of the following actions the DHSS takes relating to its participation in the Child and Adult Care Food Program (CACFP) or claims for reimbursement [7 CFR § 226.6(k)(2)]:

- Denial of a new or renewing sponsor's application for participation.
- Denial of an application submitted by a sponsoring organization on behalf of a facility.
- Notice of proposed termination of a sponsor's agreement.
- Notice of proposed disqualification of a responsible principal or responsible individual.
- Suspension of a sponsor's participation in the program.
- Denial of a sponsor's application for start-up or expansion payments.
- Denial of a request for an advance payment.
- Recovery of all or part of an advance in excess of the claim for the applicable period.
- Denial of all or a part of a sponsor's claim for reimbursement (except for a denial based on a late submission under 7 CFR § 226.10(e)).
- Decision by the DHSS not to forward to the USDA's Food and Nutrition Services (FNS) an exception request by a sponsor for payment of a late claim, or a request for an upward adjustment to a claim.
- Demand for the remittance of an overpayment.
- Any other DHSS action affecting a sponsor's participation or its claim for reimbursement.

What cannot be appealed?

A sponsor cannot appeal any of the following actions [7 CFR § 226.6(k)(3)]:

- A decision by the FNS to deny an exception request by a sponsor for payment of a late claim, or for an upward adjustment to a claim.
- A determination that a sponsor is seriously deficient.
- A determination by the DHSS that the corrective action taken by a sponsor or by a responsible principal or responsible individual does not completely and permanently correct a serious deficiency.
- Disqualification of a sponsor or a responsible principal or responsible individual, and the subsequent placement on DHSS' Seriously Deficient List and the FNS National Disqualified List (NDL).
- Termination of a participating sponsor's agreement, including termination of a participating sponsor's agreement based on the disqualification of the sponsor by another state agency or the FNS.
- A determination, by either the DHSS or by the FNS, that the corrective action taken by a sponsor or a responsible principal or responsible individual is not adequate to warrant

the removal of the sponsor or the responsible principal or responsible individual from the NDL.

- The DHSS' refusal to consider a sponsor's application when either: 1) the sponsor or one of its principals is on the NDL list; or 2) the facility or one of its principals is on the NDL.

How can a sponsor appeal?

- Appeal requests must be in writing.
- A sponsor can either:
 - Email the appeal request to CACFP@health.mo.gov.
 - Fax the appeal request to 573-526-3679.
 - Mail the appeal request to:

Missouri Department of Health and Senior Services
Community Food and Nutrition Assistance
ATTN: CACFP Appeals
PO Box 570
Jefferson City, MO 65102

- The DHSS must receive the appeal request no more than 15 calendar days after the sponsor receives the notice of DHSS' action.

What should a sponsor include in its appeal request?

- The sponsor's name, telephone number, and mailing address.
- The name and title (printed or typed) of the sponsor's contact person or authorized representative (if applicable).
- The DHSS action(s) that the sponsor is appealing, the reason(s) the sponsor is appealing, and the action(s) the sponsor wants the DHSS to take instead (i.e., the remedy the sponsor is seeking).
- Whether the sponsor is requesting an abbreviated administrative review and/or an administrative hearing, unless the action being appealed is one that must go through abbreviated review.

What are the types of administrative review?

- Abbreviated administrative review: a review of written documentation only.
 - In an abbreviated review, both the sponsor and the DHSS submit written documentation and information for the hearing officer to consider when deciding the appeal.
 - A sponsor requesting a written review may choose to have an abbreviated administrative review even if it is entitled to a full, in-person hearing.
 - If the DHSS denies the sponsor's application or proposes to terminate a sponsor's CACFP participation based on any of the following reasons, the appeal must be an abbreviated administrative review:
 - Submission of false information on the application.
 - The sponsor or one of its principals or its facilities is on the NDL.

- The sponsor or one of its principals or one of its facilities is ineligible to participate.
- The sponsor or one of its principals or one of its facilities has been convicted for any activity that indicates a lack of business integrity.
- To be considered by the hearing officer, the sponsor must submit all written documentation and information in support of its appeal to the hearing officer within 30 calendar days from the date the sponsor receives the notice of DHSS' action.
- A sponsor cannot request an in-person administrative hearing after the abbreviated administrative review has taken place.
- **Administrative hearing:** an in-person hearing at which the sponsor and the DHSS submit verbal testimony and evidence.
 - The Appeals Unit hearing officer can hold a hearing in addition to, or instead of, an abbreviated administrative review only if it qualifies for an administrative hearing and the sponsor requests a hearing in its appeal request.

Additional information:

- The DHSS will send the sponsor a letter acknowledging receipt of the appeal request within 10 days of receiving the request.
- The Appeals Unit hearing officer will send the sponsor a letter giving the date, time, and location of the administrative hearing (if an administrative hearing was requested) and/or the date any written documentation and information in support of the sponsor's appeal is due and submission information.
- If the sponsor requests an administrative hearing and fails to appear at the hearing, the sponsor waives the right to an in-person appearance before the Appeals Unit hearing officer unless the hearing officer agrees to reschedule the hearing.
- The sponsor may retain private legal counsel or may be represented by another person. *7 CFR 226.6(k)(5)(iii).*
- The DHSS will have legal counsel representation for both in-person hearings and abbreviated administrative reviews.
- The Appeals Unit hearing officer must make a decision within 60 days of the date DHSS receives the sponsor's appeal.

Remember these deadlines:

- The DHSS must receive the sponsor's appeal request within 15 calendar days of the sponsor receiving notice of the DHSS' action(s).
- The sponsor must submit any written documentation to the hearing officer within 30 calendar days of receiving the DHSS notice of action.

For more information: Call the DHSS at 800-733-6251.