CHILD AND ADULT CARE
FOOD PROGRAM

PAPERWORK REDUCTION WORK GROUP

FINAL REPORT

FEBRUARY 2007

TABLE OF CONTENTS

ATTACHMENTS

AUTHORITY

Section 119 (i) of the Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265), instructs the Secretary of Agriculture, in conjunction with States and participating institutions, to "examine the feasibility of reducing paperwork resulting from regulations and recordkeeping requirements for State agencies, family child care homes, child care centers, and sponsoring organizations participating in the child and adult care food program." In response to this directive, the U.S. Department of Agriculture, Food and Nutrition Service convened a Paperwork Reduction Work Group, which included representation from States and participating institutions. This report provides a summary of the process undertaken and recommendations made by the group.

COMMON ACRONYMS & TERMS

CACFP – Child and Adult Care Food Program

Center – An independent or sponsored child or adult care center

Facility – A sponsored child or adult care center or family day care home

FDCH – Family Day Care Home

FNS – USDA Food and Nutrition Service

Institution – A sponsoring organization or an independent child or adult care center

RO – FNS Regional Office

SA – State Agency

SO – Sponsoring Organization/Sponsor

USDA – United States Department of Agriculture

BACKGROUND

In the past decade the Child and Adult Care Food Program (CACFP) has undergone significant program changes, including the implementation of the two-tiered reimbursement system for family day care homes and the addition of requirements designed to improve Program management and integrity. Interim regulations issued in 2002 and 2004 were designed to correct abuse and mismanagement discovered in a number of Program reviews and audits conducted in the 1990's. Many new requirements were put in place to ensure program applicants are administratively capable of participation, to ensure that reimbursement claims are accurate and can be verified, and to improve systems that correct mismanagement of the program or remove seriously deficient institutions or facilities from participation.

While efforts have been made to minimize the administrative burden of program participation, some of the new requirements related to tiering and integrity have increased the complexity and cost of managing the program at all levels.

The Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265) required the Department to examine paperwork reduction possibilities and included several provisions that simplified CACFP management for State agencies and participating institutions. For example, the law permitted day care home sponsors to establish a home's reimbursement level (tiering) based on school data once every five years, rather than every three years. It also required new day care home sponsors to enter into permanent agreements with their day care home providers. Congress, USDA, State

agencies (SA) and participating institutions share an interest in finding ways to reduce the administrative burden of participating in CACFP, while continuing to improve Program integrity.

PAPERWORK REDUCTION WORK GROUP CONVENED

USDA responded to the statutory authority to examine paperwork reduction by convening a work group of CACFP stakeholders to discuss paperwork requirements and make recommendations for improvements. The nationally representative group of CACFP cooperators invited to participate in the work group included: the presidents of the two national sponsors associations; national advocacy organizations; State agencies; the Department of Health and Human Services' Child Care and Head Start Bureaus; a local Head Start Program sponsor; and a for profit, multi-state sponsor. A list of work group members is included in this report as Appendix A.

The primary charge of the work group was to identify Program requirements, policies, and procedures that, if eliminated or modified, would reduce burden or effort for SAs, institutions, and facilities participating in CACFP without undermining ongoing efforts to improve Program management.

WORK GROUP PROCESS

USDA policies and priorities focus on three broad areas for improving child nutrition programs: access, nutrition, and integrity. The paperwork reduction effort was based on the premise that these three areas are complementary, and that together they form the context for any paperwork reduction recommendations. Within this construct, the work group was charged with identifying existing CACFP requirements that create duplicative or unnecessary recordkeeping and paperwork that, if changed, would allow program operators and administrators at all levels to focus more on the critical tasks of improving nutrition and integrity while ensuring access to the Program. The work group was encouraged to give special consideration to undue burdens placed on those who have the dual responsibilities of administering the program and caring for children (i.e., day care home providers and center staff). A timeline of the process is attached as Appendix B.

In its initial meeting, the group discussed a number of areas in which improvements could be made and identified 63 separate suggestions. The list was culled to remove duplicative recommendations and to combine other suggestions, leaving 27 distinct items. These recommendations were divided into three administrative categories:

- Applications,

- Oversight and monitoring, and

- Recordkeeping and reporting.

The work group organized the recommendations by the type of action required for implementation (i.e., changes that would require policy guidance, regulatory change or legislative action).

Each member of the work group participated in one or more sub-groups representing the three administrative categories (applications, oversight and monitoring, and recordkeeping and reporting). The three sub-groups met by conference call to conduct in-depth discussions of the recommendations made by the full work group. The sub-groups were tasked with prioritizing the recommendations in each administrative category. This list of ten high-priority recommendations is attached as Appendix C.

The sub-groups were asked to choose two or three items from each category's guidance recommendations that could be implemented quickly by the Department. Recommendations that required legislation were tabled, as they would require Congressional action.

The full work group reconvened via conference call, at which time each sub-group reported its prioritized guidance recommendations. Each prioritized guidance recommendation described the specific paperwork burdens being addressed and attempted to quantify the recommendations' potential impacts. The sub-groups created charts (appendix D) that identified barriers created by an existing policy or practice, the proposed solutions USDA could undertake through guidance or training, and a

quantifiable paperwork reduction benefit. The charts focused on the ten items identified by the group as its highest priority.

Benefits were assessed by the work group as having high, medium or low potential impact. Those recommendations deemed "High Potential Impact" in the "Benefits" column of Appendix D would significantly reduce paperwork for parents, providers, sponsors or state agencies, were measurable on a monthly basis and had the potential to significantly impact how providers, sponsors and state agencies allocate other resources (primarily labor). "Medium Potential Impact" proposals reduced paperwork for providers, sponsors or state agencies. Benefit is measurable on an annual basis and also had the potential to impact other resources. Finally, "Low Potential Impact" proposals would have minimal impact on reducing paperwork, but could have a significant and measurable impact on other resources.

Rather than describe the full list of recommendations and guidance priorities in this report, they are attached as Appendix C and Appendix D, respectively.

FNS RESPONSE

Reducing unnecessary administrative burden is important to USDA, and the recommendations of the Paperwork Reduction Work Group are a key tool for understanding the types of action that may be undertaken. Many of the recommendations include emphasis on the use of technology or the sharing of effective strategies between

USDA and SAs, and among SAs. In all of its paperwork reduction efforts, USDA has and will continue to emphasize these two common elements.

While USDA agrees with most of the group's recommendations, we cannot immediately address all of them. For several of the top ten recommendations, we can only commit to undertaking a fuller examination of the issue. However, for most of the items in Appendix D, USDA can commit to taking concrete action in the next year. The following represent actions that USDA will take in direct response to the top ten recommendations of the work group.

Applications

The first guidance priority for the applications sub-group is to reduce the burden associated with the annual submission of information and materials by facilities to their sponsoring organization. USDA will issue guidance to SAs clarifying that agreements between SOs and their sponsored FDCHs are permanent. The guidance also will clarify the conditions under which it is appropriate for a SA to require that new agreements be obtained, and the extent to which data collection relative to site eligibility and the day-to-day management of the Program can be reduced in connection with the permanent agreement.

The second guidance priority in the applications group is aimed at reducing the paperwork burden related to the collection of household size and income data for eligibility determinations. USDA will clarify, through guidance, the conditions under

which eligibility information can be shared, and will emphasize the benefits derived from

sharing this information. USDA also will develop guidance concerning confidentiality

that SAs and Institutions can use to facilitate the sharing of information. That guidance

will be based on the requirements in the forthcoming final rule on disclosure of free and

reduced price eligibility information.

The third guidance priority in the applications group aims to reduce the burden CACFP

institutions face when submitting renewal information, some of which is duplicative or

does not change from year to year. USDA will issue guidance emphasizing the benefits

of implementing permanent agreements and three-year renewal cycles for institutions.

The guidance also will describe the types of documentation that could be collected only if

changes occur from the previous submission and will describe and encourage the

appropriate use of electronic submission and record keeping systems.

Oversight and Monitoring

The first guidance priority for oversight and monitoring is reducing paperwork for all

CACFP institutions and facilities, especially emergency shelters, related to management

plans, production records, infant formula choice and cost documentation. Many of these

issues have been highlighted during SA reviews of emergency shelters and other non-

traditional Program operators. In the time that has passed since the work group set this

priority, USDA has issued an interim rule incorporating provisions related to the

participation of emergency shelters into the CACFP regulations. USDA will issue

additional guidance to SAs emphasizing appropriate accommodations to be afforded to

emergency shelters and other non-traditional Program operators, which can have the effect of relieving paperwork burden.

The second guidance priority for oversight and monitoring is ensuring that additional requirements established by SAs are consistent with Federal regulations. USDA will provide guidance detailing the conditions under which implementing additional requirements is appropriate. USDA also will work with ROs to ensure that additional requirements are being properly assessed prior to approval.

The third guidance priority for oversight and monitoring aims to promote uniformity among State agencies in terms of the documentation they require during their reviews of institutions. This issue has come to the forefront with the recent increase in the number of sponsoring organizations that operate in more than one State. USDA supports efforts to promote uniformity among SAs as appropriate and will continue working with this sub-group, and with the CACFP National Professional Association (NPA) on such efforts.

Recordkeeping and Reporting

The first guidance priority for recordkeeping and reporting is to streamline the collection of individual "enrollment for care" documentation. USDA will work with the sub-group and the CACFP NPA to further explore this subject, which may be difficult to address nationally due to state-by-state variation in licensing requirements related to enrollment. USDA agrees with the sub-group's view that the objective of data collection

requirements is to obtain the necessary data, not to require a specific form or format for the collection.

The second guidance priority for recordkeeping and reporting is to support the increased use of technology by SAs and participating institutions. USDA will explore and identify effective strategies for using technology in Program administration and will share its findings with stakeholders as appropriate. USDA also will encourage sessions on technology solutions at appropriate CACFP gatherings and conferences.

The third guidance priority for recordkeeping and reporting is to reduce the burden of documenting meal pattern and portion size compliance. USDA will solicit and evaluate strategies for documenting compliance with meal pattern and portion requirements and, as appropriate, share efficient and effective methods with stakeholders and program cooperators.

The fourth guidance priority for recordkeeping and reporting aims at developing optional strategies for monitoring FDCH compliance with meal pattern requirements. USDA will integrate a review of current practice with the effort to review additional SA requirements discussed in the oversight and monitoring guidance priority two. Information will be provided to stakeholders and program cooperators as appropriate.

Summary

Implementation of the recommendations described in this section can save time and resources for Program operators. USDA will work to implement many of the work group's priorities. The goal will be to complete work on at least two of the top priority items in each of the three categories by the end of 2007. USDA will take the remaining top priority items and the 17 other recommendations offered by the group under advisement, and will consider taking action on each as appropriate, and as opportunities for implementation arise.

USDA wishes to thank the members of the work group, individually and collectively, for their committed work on this project. We look forward to continuing to work with the group as we address some of the issues identified above.

Paperwork Reduction Working Group Participants List

For-Profit/Multi-State Centers
Jil Click, Knowledge Learning Corp, Portland, Oregon

Head Start Centers
Everludis López, Fairfax County, Virginia

Head Start Bureau
Robin Brocato, Washington, DC

Child Care Bureau
Jeff Polich, Washington, DC

The Sponsors Association
Gail Birch, President, Minnetonka, MN

The Sponsors Forum
Cathleen Logan, former President, East Lansing, MI
Carolyn Morrison, current President, Gresham, OR

Food Research and Action Center
Geraldine Henchy, Washington, DC

National Association of Child Care Resource and Referral Agencies
Beverly Houston, Washington, DC

State agencies
Phil Reeves, Florida Department of Health and
President, CACFP National Professional Association
Lynne Reinoso, Oregon Department of Education and
President-Elect, CACFP National Professional Association
Melissa Halling, South Dakota Department of Education
Cesar Uriarte, New Mexico Children Youth and Families Department

FNS Regional Offices
Donna Kirby, Northeast Regional Office, Boston, MA
Timothy Thole, Western Regional Office, San Francisco
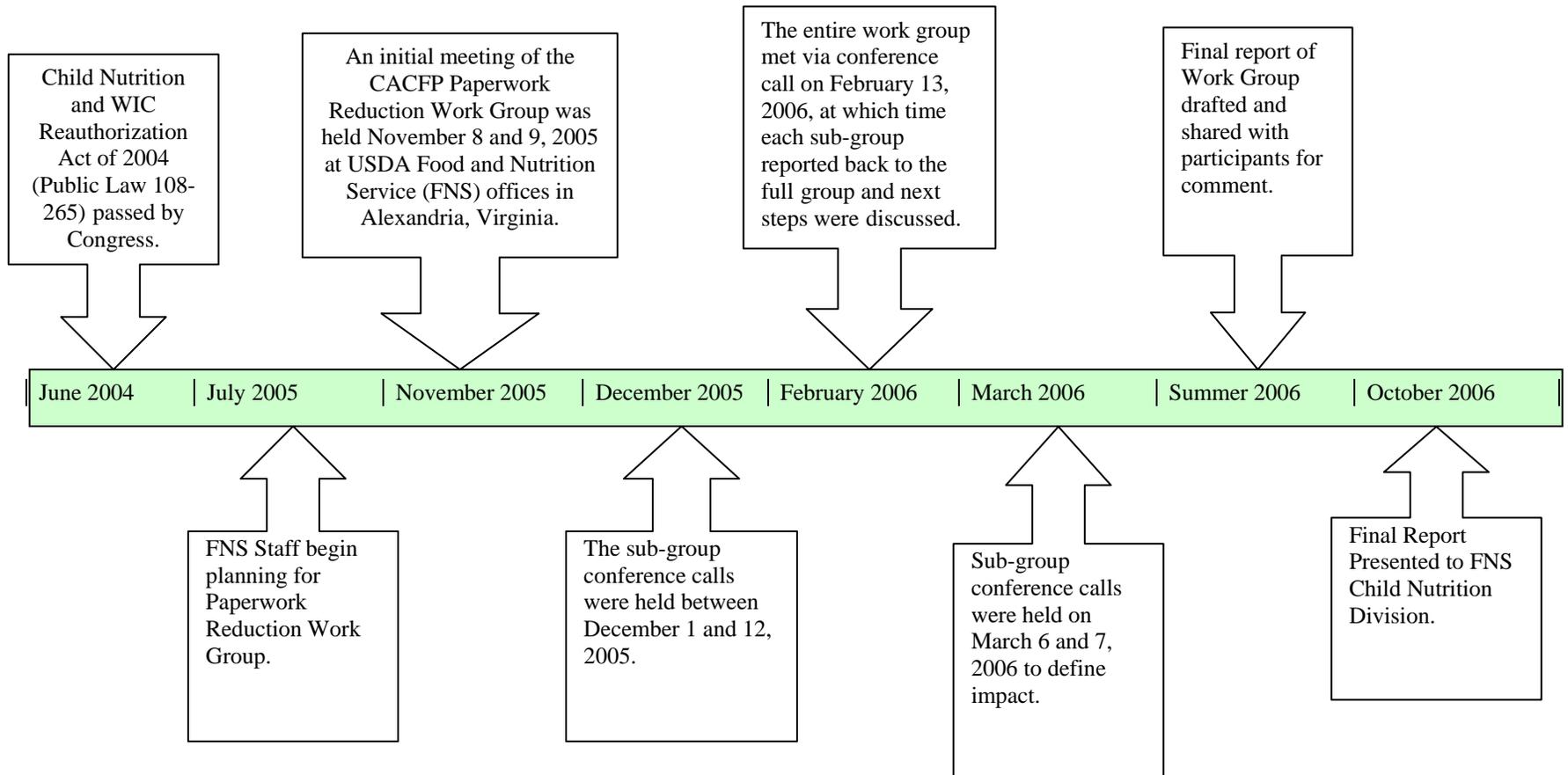
FNS Headquarters Staff

Ron Ulibarri, chair	**Keith Churchill**
Julie Brewer	**Ed Morawetz**
Belva Rutter	

Carolyn Brown, Contractor

Paperwork Reduction Work Group Timeline

Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265) passed by Congress.

An initial meeting of the CACFP Paperwork Reduction Work Group was held November 8 and 9, 2005 at USDA Food and Nutrition Service (FNS) offices in Alexandria, Virginia.

The entire work group met via conference call on February 13, 2006, at which time each sub-group reported back to the full group and next steps were discussed.

Final report of Work Group drafted and shared with participants for comment.

| June 2004 | July 2005 | November 2005 | December 2005 | February 2006 | March 2006 | Summer 2006 | October 2006 |

FNS Staff begin planning for Paperwork Reduction Work Group.

The sub-group conference calls were held between December 1 and 12, 2005.

Sub-group conference calls were held on March 6 and 7, 2006 to define impact.

Final Report Presented to FNS Child Nutrition Division.

SUMMARY OF SUGGESTIONS
Paperwork Reduction Work Group Call Documentation
December 2005

I. Applications submitted by institutions, providers, and households

Priority Assignment:

Issuance of Guidance Required for Implementation

Guidance Priority One:

Reduce the burden associated with annual submission of information/materials by facilities to CACFP sponsors.

Require/suggest that permanent CACFP agreements between sponsoring organizations and day care home providers and unaffiliated centers remain in place unless statutory or regulatory program changes make them obsolete.

>   Suggested Action:

> - Issue clarification as implementation guidance covering minimum federal requirements for FDCH/sponsor agreements (226.18(b)).
>
> - Recommend, through State Agency (SA) Management Evaluations, that FDCH/sponsor permanent agreements remain in place unless statutory or regulatory changes require a new agreement.
>
> - Gather, review and disseminate descriptions of Sponsor "Best/Promising Practices" procedures for updating provider agreements to SAs.

Eliminate sponsor practice of annual submission of an entire application renewal package by homes and/or centers to the sponsor, and allow on-going submission or updating of key/certain/some information on approved facilities, no less frequently than annually.

>   Suggested Action:

> - Issue additional guidance to SA identifying the minimum data elements required for annual facility renewals/update of information, such as facility licenses and/or health and safety inspections for license-exempt entities. This would include a definition of types of approval USDA accepts (Head Start, etc).

- Collect, review and disseminate to SAs the descriptions of Sponsor "Best/Promising Practices" for collecting application information, including exception reporting and technology solutions.

Guidance Priority Two:

Clarify and reinforce guidance related to facility and household size/income data collection and eligibility determination, as well as encourage the use of existing categorical eligibility processes.

Suggested Action:

- Reissue national Federal CACFP guidance regarding household size/income data sharing between Child Nutrition Program administrators, including prototype confidentiality agreements.

- Encourage the use of Food Stamp Program eligibility as documentation (such as the "letter" used in the Illinois model) via memorandum to SAs.

- Encourage CACFP facilities to accept documentation of a school's approval of free/reduced price meal eligibility (Letter to the Household).

Guidance Priority Three:

Reduce the burden associated with submission of renewal information/materials by CACFP institutions to the SA:

Suggested Action:

- Issue guidance encouraging the use of three-year renewal cycles for all information possible within current law and regulation by institutions, and allowing three-year renewal cycles by sponsors for facilities

- Reissue/issue guidance to SA identifying the minimum data elements required for:

  o Management plans, including an explanation of updates when sponsor systems/processes have not changed.
  o On-going data collection systems for updating required institution information.

- Recommend, through guidance, then follow-up through the Management Evaluation process, that institution permanent agreements remain in place unless State or Federal statutory or regulatory changes require a new agreement.

- Collect, review and disseminate to SAs "Best/Promising Practices" showcasing both coordination between licensing agencies and CACFP SAs, including automated data matching systems and "exception reporting" and methods for updating management plans and other required information used by SA.

Guidance Priority Four:

Encourage State level administrators of Health and Human Services-funded child care programs to coordinate with CACFP SAs to:

- conduct CACFP outreach to subsidized centers/homes.

- collaborate and pool resources (quality money) to produce nutrition education materials and training.

Guidance Priority Five:

Develop a one-page Spanish household size and income data collection form and household letter explaining the form that is appropriate for use with low-literacy households.

Guidance Priority Six:

Reissue a prototype household letter explaining CACFP household size and income data collection form for use by non-pricing centers (to eliminate confusion caused by references to "free or reduced -price applications").

Issuance of Regulation

Regulatory Priority One:

Define specific application requirements for each type of institution and facility (e.g., day care homes, regular child care centers, Head Start Programs, outside school hours, at-risk programs, and emergency shelters).

Suggested Action:

- Eliminate the requirement for a complete CACFP budget from new independent centers, at-risk programs and emergency shelters. (SAs currently have the option not to require budgets from any type of *renewing* independent center).

- Eliminate the requirement for additional budget information from schools participating in both the NSLP and the CACFP.

- As part of a regulation "clean-up", eliminate the requirement for the submission of a management plan for sponsors of at-risk programs and emergency shelters.

Regulatory Priority Two:

Change CACFP sponsor application requirements to acknowledge differences and reasonable program administration expectations for sponsors with large and small numbers of facilities, with affiliated/unaffiliated facilities, and rural/urban.

Regulatory Priority Three:

Allow a single household size and income data collection form for all foster children in one home or for foster children and other household members. [NOTE: Concern was expressed regarding impact on NSLP data collection.]

Suggested Action:

- Collect, review and disseminate prototype forms (New Mexico and other SA).

Regulatory Priority Four:

Explore and promote alternative forms of issuing the "Media Release" (such as by the SA for all participating institutions) or eliminate the institution requirement and SA collection of the release unless <u>required</u> for civil rights compliance.

II. Oversight and Monitoring

Priority Assignment:

Issuance of Guidance Required for Implementation

Guidance Priority One:

Reduce paperwork for all CACFP institutions and facilities, especially emergency shelters, pertaining to:

   a) Documentation related to feeding infants, (i.e. providing infant formula, menus, parent provided foods), and
   b) CACFP cost documentation

   Suggested Action:

- Collect and issue "Best/Promising Practices" in management of the CACFP in emergency shelters.

- Collect and issue "Best/Promising Practices" in management of the CACFP when caring for infants.

Guidance Priority Two:

Ensure that SA "additional requirements" conform to federal regulations.

   Suggested Action:

- Develop and provide SAs with criteria for "additional requirements".

- Require Regional Offices to assess SA "additional requirements" during Management Evaluations to ensure consistency with federal regulations.

- Encourage and provide positive feedback to SAs when "additional requirements" meet the criteria of being consistent with federal regulations and effectively increase program accountability and/or reduce paperwork burden.

- Collect and issue "Best/Promising Practices" relating to additional requirements in collaboration with Regional Offices, and organizations representing SA and sponsors.

Guidance Priority Three:

Assist SAs and sponsors with finding efficient ways to document oversight and monitoring activities.

Suggested Action:

- Collect and issue "Best/Promising Practices" for efficiently documenting oversight and monitoring activities in collaboration with Regional Offices and organizations representing SA and sponsors.

Guidance Priority Four:

Reissue and clarify the 1/27/04 memo that center sponsors of facilities that will operate fewer than 12 months within a year (e.g., Head Start programs) may prorate required reviews accordingly.

Guidance Priority Five:

Clarify SA ability to offset institution overpayments between federal fiscal years.

Guidance Priority Six:

Create a web-based system and process (perhaps a searchable data base) for FNS, SAs and institutions to share names/information about organizations and individuals disqualified from participation or involvement in the CACFP.

Guidance Priority Seven:

Investigate ways to increase funding for SA management information systems (MIS) automation efforts.

Suggested Action:

- Give priority to SA MIS automation when reallocating SAE.

Regulatory Priority One:

Consider defining "small sponsoring organizations", "affiliated" and "unaffiliated" centers/homes, and/or "rural" sponsors and establishing different regulatory requirements for them, such as:

a) Reduce monitoring visits from three to two per year
b) Eliminate five-day reconciliation of meal counts to enrollment and attendance
c) Exclude household contacts from SA systems
d) Exempt small affiliated center sponsors from some facility serious deficiency declaration requirements.

Regulatory Priority Two:

Allow schools participating in National School Lunch (NSLP)/School Breakfast Programs to apply NSLP Food Service Management Company regulations to all the Child Nutrition (CN) Programs in which they participate.

III. Recordkeeping and Reporting

Priority Assignment:

Issuance of Guidance Required for Implementation

Guidance Priority One:

Streamline the annual collection of individual child/adult enrollment documentation.

Suggested Action:

- Issue guidance to SA and Sponsors identifying the minimum data elements required for:

  a. Initial child/adult enrollment
  b. Annual or staggered annual child enrollment updating processes (12 month rule)
  c. On-going child enrollment updating processes.

- Define 12 months (e.g. 9/8 through 9/7, or 9/8 through 9/30 question).

- Collect, review and disseminate descriptions of SA and Sponsor "Best/Promising Practices" for collecting and updating enrollment data.

- Encourage inclusion of CACFP required data on prototype or required Head Start enrollment forms.

- Clarify whether enrollment documentation can be retained at the sponsor's office, instead of at the facility as implied by the regulation. [Note: there will be variations among States, depending on what licensing requires with respect to the State-mandated enrollment form, and depending on whether the required CACFP data on hours in care, etc., is or isn't captured on the State-mandated enrollment document]

Guidance Priority Two:

Support the increased use of technology to streamline recordkeeping by encouraging SA and institutions to:

a) Provide staff development in the area of technology;
b) Implement electronic submission process for internal management processes (payroll/travel reimbursement/other);
c) Implement electronic program review systems (scheduling/review findings/corrective action documentation/follow-up/other action);
d) Create Web sites (communication with facilities/parents/access to forms, nutrition education/other resources);
e) Create/implement electronic submission, including Web-based collection of meal counts, meal count adjustments, menus and other records (daily/weekly/monthly), including the documentation required for shift care;
f) Consider scanning/imaging systems for maintaining information submitted on paper forms;
g) Document and track telephone technical assistance contacts for coordination with monitoring and oversight efforts.
h) Utilize electronic funds transfer (EFT).
i) Utilize Web-based collection of household size/income data from individual households (password protected) and enrollment information from parents/guardians (password protected).

Suggested Action:

- Issue guidance to SA and Sponsors identifying electronic data collection system requirements and what is required to ensure system confidence. This guidance could include:

o A listing of specific documents that must be "paper" and what could be "electronic".
o System requirements that enable electronic data to be acceptable clarification that electronic documentation (such as geo-mapping or GIS tier eligibility documentation) is not required to be printed.

- Update the Compliance Supplement guidance for auditors regarding the acceptability of electronic information storage.

- Encourage SA and sponsor use of technology by encouraging sampling strategies for validating data.

- Collect, review and disseminate descriptions of SA and sponsor "Best/Promising Practices" for electronically collecting and updating CACFP required data in collaboration with Regional Offices and organizations representing SA and sponsors.

Guidance Priority Three:

Discourage SA from requiring production records as a means of documenting that the correct type and amount of food was prepared to meet meal pattern and portion requirements.

Suggested Action:

- Develop and disseminate optional strategies, including possible technology solutions, to meet that goal of documenting compliance with CACFP meal pattern and portion sizes.

Guidance Priority Four:

Clarify and simplify CACFP cost documentation and SA and center sponsor monitoring requirements.

Suggested Action:

- Develop and disseminate guidance to SA and institutions on the minimum requirements for documentation and monitoring CACFP related costs, including a definition of "non-profit food service", optional documentation strategies for use in unique situations such as emergency shelters, with a focus on technology solutions.

- Consider establishing a specific percentage of meal reimbursements used to purchase food that would be deemed sufficient to document food service expenses, thereby eliminating the need for "production records."

Guidance Priority Five:

FNS would endeavor to release information and changes to program requirements, which requires SA and institution program changes (specifically data collection), at least three months in advance of the beginning of a new federal fiscal year.

Guidance Priority Six:

Support "shift care" by exploring ways to reduce paperwork regarding meals served in shift care.

> NOTE: State-by-State, time in/out; individual meal counts; other special documentation is currently required for shift care and not for other child care settings.

Issuance of Regulation

Regulatory Priority One:

Eliminate the SA option to base reimbursements to centers on actual counts and require that CACFP reimbursement be paid by SAs based on blended rates or claiming percentages, which require aggregate daily meal counts by meal type.

Regulatory Priority Two:

Eliminate some of the reporting required between the sponsor, the SA and FNS regarding the serious deficiency process.

Suggested Action:

- Consider allowing SAs to maintain serious deficiency process documentation and send all of the documentation at once, when an institution is near the end of the process. [NOTE: We would still need some requirement or guidance that facilitated communication about multi-state sponsors that were in the seriously deficient process.]

USDA Paperwork Reduction Task Force
Consensus Priority Items
Applications Sub-Group

Applications

Issue	Proposal	Proposed Action Item(s)	Benefits
Facilities are required to submit certain information and materials to CACFP sponsoring organizations on an annual basis. This creates a paperwork burden on providers and sponsors when some information is duplicative or hasn't changed.	**Guidance Priority One:** Reduce the burden associated with annual submission of information/materials by facilities to CACFP SO.	A. Suggest/facilitate SA application systems that allow facility level information to be submitted to sponsors only when there is a significant change and encourage on-going submission and/or updating of key documents. B. Encourage/facilitate the use of permanent CACFP agreements between SO and sponsored facilities that remain in place unless statutory or regulatory program changes make them obsolete.	*High Potential Impact* The proposed actions may: • Impact as many as 21,000 CACFP institutions and 199,000 facilities nationally.[1] • Increase information accuracy by reducing the number of times data is collected. • Reduce annual submission of data by accepting information on an on-going basis throughout the year. • Reduce time required for assessing, processing and maintaining data. • Improve workflow by allowing for assessment of data throughout the year. • Support the on-going collection of data required by SO to manage the CACFP. • Focus management attention on changes as they occur. • Improve data integrity by obtaining information at the time the change occurs. • Improve customer satisfaction

---

[1] All participation data – FNS National Data Bank, Monthly Averages, FY 2005

Applications			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
			with CACFP. • Improve retention and decrease turnover in CACFP participation by facilities, which should decrease the amount of facility training and technical assistance required of the SO. • Support the use of a permanent agreement and multi-year application process between the institution and the SA.
Household size/income data is collected routinely by multiple agencies and/or organizations. This duplicates paperwork for parents, providers, sponsors and SAs.	**Guidance Priority Two:** Clarify and reinforce guidance related to facility and household size/income data collection and eligibility determination, as well as encourage the use of existing categorical eligibility processes.	A. Reissue national Federal CACFP guidance regarding household size/income data sharing between federal Child Nutrition Program administrators, including prototype confidentiality agreements. B. Encourage/facilitate the use of Food Stamp Program eligibility as documentation of CACFP eligibility (i.e. Illinois "letter" model). C. Permit CACFP institutions/facilities to accept documentation of a child's school approval of free/reduced price meal eligibility.	*High Potential Impact* The proposed actions may: • Minimize the repetitive process for parents/guardians of up to 3 million program participants to submit the same household size/income data to multiple organizations. • Increase information accuracy by reducing the number of times data is collected. • Reduce time required for data assessment, categorization, maintenance and review by more than 199,000 facilities, 21,000 institutions and 50 SA. • Improve customer satisfaction with CACFP participation. • Improve retention and decrease turnover in CACFP participation by facilities and institutions, which should decrease the amount of facility and institution training and technical assistance required of both SO and SA.

Applications			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
Annual application packets require a significant volume of paperwork. Documentation is often a duplicate copy of documents submitted in prior years.	**Guidance Priority Three:** Reduce the burden associated with submission of renewal information/materials by CACFP institutions to the SA.	A. Encourage/facilitate three-year renewal cycles. B. Encourage/facilitate the collection of some documents (i.e. Management Plan) only if changes have occurred. C. Encourage/facilitate electronic data submission. D. Encourage/facilitate the use of permanent agreements between the SA and institutions unless statutory or regulatory changes make them obsolete. E. Identify and disseminate "Best Practices".	*Medium to High Potential Impact* The proposed actions may: • Minimize the necessity for more than 21,000 institutions to annually collect and submit information to SAs. • Reduce annual time expended by over 50 SA to assess and manage program related data from up to 14,000 institutions (2/3 of the national number of institutions). • Minimize annual collection of institution and SO data that is stable, such as agreements and management plans. • Reduce data transfer time between institutions and SA. • Increase data accuracy by decreasing duplicative data entry. • Allow over 50 SA to focus resources currently used on annual data collection and assessment to technical assistance and training.

Oversight and Monitoring			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
There are unique challenges to any CACFP institution in administering and operating the CACFP, especially emergency shelters and those serving infants. In those settings it is not always feasible to collect the same documentation required of other institutions.	**Guidance Priority One:** Reduce paperwork for all CACFP institutions and facilities, especially emergency shelters (management plan and production records), documentation of food service provided for infants, and CACFP cost documentation.	A. Refine and reissue SA guidance on documentation required for emergency shelters, especially the management plan. B. Develop and disseminate "Best Practices" in management of the CACFP in emergency shelters focusing on documentation of food service related costs and meal service. C. Identify and disseminate "Best Practices" in management of the CACFP when caring for infants. D. Identify and disseminate "Best Practices" in documenting CACFP related costs by all institutions.	*High Potential Impact* The proposed actions may: • Impact as many as 325 emergency shelters, 18,000 SO and 199,000 child care facilities that provide care to infants.[2] • Improve access to children who are homeless and infants in child care by removing potential barriers. • Reduce unnecessary submissions by emergency shelters by clarifying what is required. • Reduce SA time required to process, maintain and analyze unnecessary emergency shelter data. • Improve CACFP data integrity by improving information available on institution cost documentation requirements. • Improve customer satisfaction with CACFP participation. • Improve retention and decrease turnover in CACFP participation by institutions and facilities, which should decrease the amount of facility

[2] All participation data – FNS National Data Bank, Monthly Averages, FY 2005

Oversight and Monitoring			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
			and institution training and technical assistance required of SO and SA.
There is considerable variation in SAs interpretation of federal regulations. In some cases, "additional requirements that are not inconsistent with federal regulations" may actually increase the paperwork burden unnecessarily.	**Guidance Priority Two:** Ensure that SA "additional paperwork requirements" are not inconsistent with federal regulations.	A. Develop and provide SAs with criteria for "additional requirements". B. Ensure that Regional Offices assess SA "additional requirements" during Management Evaluations to ensure consistency with federal regulations. C. Encourage and provide positive feedback to SAs when "additional requirements" meet the criteria of being consistent with federal regulations as well as increasing program accountability and/or reducing paperwork burden. D. In collaboration with Regional Offices and organizations representing SA and SO, identify and disseminate "Best Practices" in areas where SA create requirements consistent with the federal regulations that increase integrity and decrease record keeping. E. Continue to identify venues for disseminating "Best Practices" with SA and SO, such as Regional Office, SA and SO Association meetings and conference, and other dissemination opportunities.	*High Potential Impact* The proposed actions may: • Impact more than 21,000 CACFP institutions and 199,000 facilities nationally. • Increase national consistency in CACFP administration. • Reduce institution submission of data that is not required. • Reduce SA time required to process, maintain and analyze data that is inconsistent with federal requirements. • Improve customer satisfaction with CACFP participation. • Improve retention and decrease turnover in CACFP participation by institutions and facilities, which should decrease the amount of facility and institution training and technical assistance required of SO and SA.

Oversight and Monitoring

Issue	Proposal	Proposed Action Item(s)	Benefits
There is considerable variation in the requirements for documenting oversight and monitoring activities.	**Guidance Priority Three:** Assist SAs and SO with finding efficient ways to document oversight and monitoring activities.	A. Identify and disseminate "Best Practices" for efficiently documenting oversight and monitoring activities in collaboration with Regional Offices and organizations representing SA and SO.	*High to Medium Potential Impact* The proposed actions may: • Impact more than 21,000 CACFP institutions and 199,000 facilities nationally. • Increase national consistency in CACFP oversight documentation. • Reduce SA and SO time spent developing oversight documentation and procedures. • Increase compliance with CACFP regulations at SO and SA levels. • Increase SO and SA understanding of required oversight activities. • Improve customer satisfaction with CACFP participation. • Improve both Public and Congressional perception of CACFP as a well-managed federal food assistance program.

Recordkeeping and Reporting

Issue	Proposal	Proposed Action Item(s)	Benefits
There is confusion regarding the new federal regulations for annual enrollment documentation, and some inconsistency regarding SA interpretation for the implementation of the regulations.	**Guidance Priority One:** Streamline the annual collection of individual "enrollment for care" documentation.	A. Define minimum data elements required on an enrollment for care. B. Define the effective period (12 month period) for the enrollment document and reiterate the length of time the data must be maintained. C. Provide guidance for SA and institutions regarding enrollment data maintenance, with a focus on possible use of technology D. Identify and disseminate "Best Practices" in streamlining the annual collection of enrollment data.	*High Potential Impact* The proposed actions may: • Impact the parents/guardians of more than 3 million children enrolled for care in CACFP participating child care facilities.[3] • Minimize parent/guardian requirement to complete and submit similar documents certifying "enrollment for care" to a child care facility upon enrollment, and then again annually to comply with CACFP regulations. • Increase national consistency in CACFP administration. • Reduce time required for assessing, maintaining and reviewing enrollment documentation by more than 199,000 facilities, 21,000 institutions and 50 SA. • Reduce paperwork and simplify data collection by identifying and sharing successful alternative systems. • Minimize/streamline child enrollment data maintenance at

---

[3] All participation data – FNS National Data Bank, Monthly Averages, FY 2005

Recordkeeping and Reporting			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
			the SO level through use of technology. • Improve customer satisfaction with CACFP participation.
SA and institution processes have not kept pace with technological advances.	**Guidance Priority Two:** Support the increased use of technology to streamline recordkeeping by encouraging SA and institutions to: a. Provide staff development in the area of technology. b. Implement electronic processes in the following areas: internal management processes, program reviews, corrective action plans, and provider-level documentation. c. Create web-based programs in the following areas: parent communications, nutrition education, administrative forms, and collection of household size/income data. d. Consider scanning/imaging systems for maintaining information submitted on paper forms. e. Document and track telephone technical assistance contacts for coordination with monitoring and oversight efforts. f. Utilize electronic funds transfer (EFT).	A. Issue guidance to SA and institutions identifying electronic data collection system requirements and what is required by FNS to ensure system confidence. B. Update the Compliance Supplement guidance for auditors regarding the acceptability of electronic data. C. Encourage SA and sponsor use of technology by encouraging sampling strategies for validating data. D. Create a stakeholder working group to research, identify and document "Best Practices" for using technology for collecting and updating CACFP required data at FNS, Regional Office, SA and institution levels. E. Encourage sessions on technology solutions and disseminate "Best Practices" at venues such as FNS and Regional Office meetings, SA, SO and various association conferences, workshops and training sessions, as well as through Web-sites	*High Potential Impact* The proposed actions may: • Impact more than 199,000 facilities, 21,000 institutions, 50 SA, 7 Regional Offices and FNS National Headquarters. • Reduce duplicative data collection. • Increase data integrity without compromising compliance. • Decrease human error by reducing duplicative data entry. • Improve SA and institution understanding of the use of web-based programs, systems' databases and electronic documentation and processes to support CACFP management. • Reduce SA and SO time required investigating possible technology solutions. • Develop a platform for a national level conversation about the potential for technology solutions for CACFP record keeping and reporting. • Improve customer satisfaction with CACFP participation.

Recordkeeping and Reporting

Issue	Proposal	Proposed Action Item(s)	Benefits
Completing Production Records is a labor-intensive process that often does not accurately reflect the portion sizes or types of foods served. Production records are one way, but not the only way to document compliance with CACFP meal pattern and potion size requirements.	**Guidance Priority Three:** Discourage SA from requiring production records as the only means of documenting that the correct type and amount of food was prepared to comply with CACFP meal pattern and portion size requirements.	A. Collect and disseminate optional SA tested strategies, including possible technology solutions, to meet the goal of complying, and documenting compliance with, CACFP meal pattern and portion size requirements. Possibilities include: Standardized menus/ recipes; Observation of meal service; Review of menus and receipts documenting food purchases.	*High Potential Impact* The proposed actions may: • Impact more than 46,000 centers, 50 SA and 7 Regional Offices. • Increase likelihood of an institution documenting compliance with meal pattern and portion size requirements by allowing a choice of several optional documentation strategies. • Reduce paperwork while maintaining integrity. • Decrease the time SO, SA Regional Office and FNS National Headquarters requires reviewing math calculations during program reviews and management evaluations. • Improve SO/ SA monitoring visits by underscoring the importance of observing a meal service. • Reinforce the importance of claim reconstruction to test cost documentation as a part of a CACFP review.
SO of day care homes currently review menus for all of the meals served by facilities. It is a labor-intensive process that requires detailed analysis of 20 or more days of menu records from each facility, each of which will serve at least 3 meals each day. CACFP regulations do not require this	**Guidance Priority Four:** Encourage SA and SO to develop and test optional strategies to monitor day care home compliance with meal patterns to streamline the process while maintaining the oversight necessary to ensure integrity with CACFP regulations.	A. Collect information on SA requirements and SO procedures nationally and determine current practice. B. Create a stakeholder group made up of FNS National Office, Regional Office, SA and institution level representatives to review,	*Medium Potential Impact* The proposed actions may: • Impact over 900 SO and more than 150,000 day care homes.

Recordkeeping and Reporting			
Issue	**Proposal**	**Proposed Action Item(s)**	**Benefits**
specific action.		identify, document and disseminate "Best Practices" for monitoring compliance with CACFP meal patterns by day care homes, including technology solutions and sampling techniques.	