



United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
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Alexandria, VA
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SUBJECT: Monitoring Requirements for Sponsoring Organizations in the Child and Adult Care Food Program (CACFP)

TO: Regional Director Special Nutrition Programs
All Regions

Apparently, there are still some State agencies and sponsoring organizations which believe that section 243(b)(2) of the Agricultural Risk Protection Act of 2000 (ARPA) made substantive changes to the current monitoring requirements for sponsoring organizations set forth at Section 226.16(d)(4) of the regulations. The purpose of this memorandum is to reiterate the information provided to you earlier.

The ARPA made one substantive change to sponsor monitoring requirements which added specified *minimum* sponsor and State agency monitoring requirements to the statute. The law requires the Department to develop a policy that:

“(I) requires periodic unannounced site visits at not less than 3-year intervals to sponsored child care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program;

(II) requires at least one scheduled site visit each year to sponsored child care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program and to improve program operations; and

(III) requires at least one scheduled visit at not less than 3-year intervals to sponsoring organizations and nonsponsored child care centers to identify and prevent management deficiencies and fraud and abuse under the program and to improve program operations.”

By requiring that *at least* one unannounced visit be made to each sponsored facility within a 3-year period, ARPA requires there to be *some level* of mandatory unannounced visits to sponsored facilities. However, as clarified in the floor statement accompanying passage of ARPA, the Department of Agriculture must still use its experience to establish the minimum review requirements for CACFP.

None of our experience suggests that a reduction in monitoring by CACFP sponsoring organizations is appropriate. Although we have proposed (65 FR 55101, September 12, 2000) additional flexibility in several of the details relating to sponsor monitoring requirements, that proposal still would require sponsors to perform an average of three

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reviews per year per sponsored facility. Furthermore, the interim rule which will implement the provisions of ARPA will include a level of required unannounced visits that exceeds the minimum level of unannounced visits mandated by ARPA.

Therefore, with regard to their review and approval of sponsors' management plans and budgets for fiscal year (FY) 2001, State agencies should not approve any sponsor's management plan which does not contemplate the continued performance of an average of at least three visits to each sponsored facility in FY 2001.

Please contact Ed Morawetz or Ron Ulibarri of my staff if you have any questions concerning this memorandum.

A handwritten signature in cursive script, appearing to read "Stanley C. Garnett".

STANLEY C. GARNETT
Director
Child Nutrition Division