

MAY 11, 2000

SUBJECT: Licensing/Approval in Family and Group Day Care Homes in the Child and Adult Care Food Program (CACFP)

TO: Regional Directors
Child Nutrition Programs
All Regions

As you know, the law and regulations governing CACFP require family and group day care homes to have current State or local licensing or approval in order to participate in the Program. Section 226.6(d) requires sponsoring organizations to submit to the State agency documentation that homes are in compliance with the licensing or approval requirement.

It has come to our attention that some State licensing agencies routinely issue licenses to family day care home providers that contain effective dates several months earlier than the issuance date. This memorandum provides flexibility to State agencies and sponsoring organizations of family day care homes in approving homes for CACFP participation under these circumstances.

When a provider that has been complying with all CACFP requirements receives a license/approval with an effective date earlier than the issuance date, the State agency may permit the sponsor to claim CACFP reimbursement for that provider's meals and snacks served to enrolled children back to the effective date on the license. However, several conditions must be met:

- 1) The sponsor must have a signed agreement with the home provider permitting reimbursement only if a license is issued and be able to demonstrate compliance with all training and monitoring requirements for that home during the time period for which meals are being claimed. This includes a preapproval visit, training for the provider, and a monitoring visit to the provider within the first 4 weeks of participation.
- 2) Claims may not be submitted until the State agency has verified the licensed status of a home. This might occur through receipt of a hard copy or via electronic or written notification. It is the responsibility of the sponsoring organization to supply the State with the documentation.
- 3) Sponsors/States must submit claims within the framework of 60/90 day guidance.

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

For example, a provider receives a home inspection visit from the State licensing authority in February 2000. During the same timeframe, the provider begins working with a CACFP sponsoring organization. The sponsoring organization conducts a pre-approval visit, provides training on program requirements, and enters into an agreement with the provider contingent upon receipt of a child care license. In mid-March, the provider is notified by telephone by the licensing inspector that she passed the inspection and background checks and that the licensing authority expects to issue her a child care license effective sometime in March. All CACFP requirements are being met as of March 1, including appropriate meal service and recordkeeping by the provider and training and monitoring by the sponsor. The provider receives her license on May 20, 2000, with an effective date of March 15, 2000. She notifies her CACFP sponsor and submits a copy of the license. Once the sponsor verifies that all records are in place, the sponsor submits two revised claims – one for March and one for April – to include this provider's meals and snacks for the period March 15 through April 30. (The provider submits a regular claim for meals and snacks served in May.)

In the above example, if the provider had received her license on June 20, 2000, with an effective date of March 15, 2000, meals could only be claimed for that provider back to April 1 since the 60-day deadline has passed.

Please note that States are not obligated to implement this guidance. We encourage each State agency consider the burdens involved in their own State licensing procedures before deciding whether or not to follow this procedure.

In addition, a sponsoring organization is not obligated to sponsor a day care home with a license pending. Organizations which choose to sponsor providers waiting for the State license/approval have the same responsibility to train and monitor these providers as with any Program participant.

Please let us know if you have any questions.

Original Signed

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