



COMMONWEALTH of VIRGINIA

Marissa J. Levine, MD, MPH, FAAFP
State Health Commissioner

Department of Health
P O BOX 2448
RICHMOND, VA 23218

TTY 7-1-1 OR
1-800-828-1120

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Memo: CACFP 08- 2014

Subject: CACFP Administrative Review Fiscal Action; Effective Date May 1, 2014

To: Virginia CACFP Sponsors and Institutions

From: Conchetta Yonaitis, Special Nutrition Programs Manager

State agencies are required to monitor Program operations and use of Program funds in institutions and facilities to ensure CACFP requirements are met. More specifically, States are required to monitor all institutions participating in the CACFP to ensure compliance with meal pattern, recordkeeping, and other Program requirements. Reviews and audits have also been conducted periodically by the Food and Nutrition Service (FNS) and the USDA Office of Inspector General (OIG).

During the review, the State agency monitor (i.e., review staff) will evaluate the fiscal integrity and management of the Program. It is equally important for the monitors to be a resource for participants to help them improve their operations. Technical assistance provided during the review and throughout any corrective action process will help ensure corrections are made expediently and future errors are avoided.

State agency reviews may be announced or unannounced. For announced reviews, the State agency initiates the formal review in a professional manner by sending written notification to the director of the institution or sponsoring organization informing them of the date of the review and the test month that will be reviewed. The written notice will convey the scope and areas to be covered during the review.

During a review, the State agency monitor will validate the claim for reimbursement filed by the institution and shall disallow any portion of the claim that is incorrect and recover any payment to an institution this is not properly payable.

Please take notice of the list below including, but not limited to, common reasons the State agency will disallow meals and snacks during a review:

1. Claiming meals for a participant not enrolled in the Program;
2. No written menu for claimed meals or snacks;
3. Meals are missing required food component(s);
4. Non-creditable items being counted as a food component;
5. Less than two servings of fruit and/or vegetable component being served for lunch or supper;
6. Planned portion sizes are not appropriate for the age of the children;
7. DCH Provider claiming own child for meals when no other child is present;
8. Serving meals or snacks outside of approved hours;
9. Meal counts exceed the number of children in attendance;
10. Inadequate quantity of milk or food provided for the number of meals served to children/adults; Please refer to the USDA Memo (CACFP 21-2011REVISED) dated September 15, 2011 entitled, *Nutrition Requirements for Fluid Milk and Fluid Milk Substitutions in the Child and Adult Care Food Program, Questions and Answers*;
11. Meals served with substitute of component for medical reasons without a proper medical note on file; Please refer to the *Statement for Special Diet Prescription*;
12. Insufficient quantity of milk or food being purchased to meet the amount required for the claimed meal service;
13. Meals claimed for reimbursement on a day when the center or home is not in operation;
14. Absence of daily attendance records, enrollment records, or daily meal counts to substantiate the number of meals being claimed; and
15. For-profit centers not meeting the 25% eligibility requirement.

In addition to fiscal action taken for other parts of the overall monitoring review, fiscal action must be taken for the following deficiencies during the review:

1. Expenditures not identified in the approved budget;
2. Expenditures for which there are no receipts available or for which the receipts do not support the meals served; and/or
3. Audit report findings of questioned costs.

Please refer to the USDA's Crediting Food Handbook for specifics detailing the Child and Adult Care Food Program meal patterns and guidance for menu planning at:

http://www.fns.usda.gov/sites/default/files/CACFP_creditinghandbook.pdf

Please do not hesitate to contact your Special Nutrition Programs Liaison with questions or concerns pertaining to this memo. As always, thank you for all you do to combat child and adult hunger in the Commonwealth of Virginia.