



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**MARK T. BENTON** • Assistant Secretary for Public Health  
Division of Public Health

March 20, 2020

To: Sponsoring Organizations Participating in the Child and Adult Care Food Program

From: Courtney Jones, Special Nutrition Programs Manager  
Special Nutrition Programs

Re: Requirements for Conducting a Desk Review of a Sponsored Facility under a Sponsoring Organization

The purpose of this procedure is to outline the steps and requirements for conducting a desk review of a sponsored facility under a Sponsoring Organization.

## **GUIDANCE**

7 CFR §226.16 (d)(4)(iii) states Sponsoring organizations must review each facility three times each year, except as described in paragraph (d)(4)(iv) of the section. In addition:

- (A) At least two of the three reviews must be unannounced;
- (B) At least one unannounced review must include observation of a meal service;
- (C) At least one review must be made during each new facility's first four weeks of Program operations; and
- (D) Not more than six month may elapse between reviews.

The purpose of the review is to determine program compliance and to provide technical assistance in the area of program management.

As COVID-19 (the novel coronavirus) continues to escalate across North Carolina, this procedure is taking proactive steps to enact preventive measures to protect Sponsoring Organizations, sponsored facilities, children and vulnerable adults, and the general public. An effective strategy for minimizing the spread of COVID-19 is greater social distancing through alternative work arrangements. For this reason, effective immediately, Sponsoring Organization **on-site** compliance review monitoring will be suspended until May 1, 2020.

## **PROCEDURE**

Sponsoring organization will implement desk reviews for sponsored facilities in order to be in compliance with the Federal regulations. Sponsoring Organizations will document that a meal observations was not able to be conducted due to the suspension of on-site compliance review monitoring for sponsored facilities. The hope is for Sponsoring Organizations to make up these

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF PUBLIC HEALTH**

LOCATION: 5605 Six Forks Road, Building 3, Raleigh, NC 27609  
MAILING ADDRESS: 1931 Mail Service Center, Raleigh, NC 27699-1931  
www.ncdhhs.gov • TEL: 919-707-5000 • FAX: 919-870-4829

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

missed meal service observations for sponsored facilities, depending on the duration and severity of the pandemic.

Prior to the desk review sponsored facilities are required to submit documentation to the Sponsoring Organization within 7 days of receipt of the records request. Once documentation is received from the sponsored facility, the Sponsoring Organization is required to complete the most current monitoring tool. The monitoring tools can be found at <https://www.nutritionnc.com/snp/forms.htm> →CACFP General Forms→Sponsoring Organizations Review Tools.

**If a sponsored facility does not have capabilities to scan or make copies of documents, reschedule the review being mindful that no more than 6 months can lapse between reviews.**

**Listed below is documentation that must be submitted by the sponsored facility as applicable:**

**Sponsored Facilities and/or Homes** (If information is not in NC CARES please request for review)

- 1) Agreement between Sponsoring Organizations and facility (w/applicable Attachments C, D, E) for each facility
- 2) Agreement between Sponsoring Organization and day care home (w/applicable Attachments A, B) for each home
- 3) CAC-8A/CAC-9A annual budget for Sponsored facilities and homes
- 4) Licensing certification
- 5) License or approval letter or alternate approval documentation for each facility
- 6) Contractor's certification for each facility
- 7) Information on owners and principals-facility for each facility
- 8) Certification of single exclusive CACFP agreement-facility for each facility
- 9) CAC 16 CAC 17 Food service management contracts or SFA agreement to furnish food with attachments and quote or bid paperwork (if applicable)

**Other Required Documents:**

- 10) Confidentiality of beneficiary data policy
- 11) All advertisements when referencing admission and/or the CACFP
- 12) Certification of eligibility for Title XIX and/or XX (CAC 1C)
- 13) CACFP training (Programmatic and Civil Rights) documentation for each facility and/or home
- 14) CACFP Infant feeding consent form for all infants enrolled in each sponsored facility and/or home
- 15) Monitoring reviews for the current fiscal year and preceding three years
- 16) Racial and ethnic data for enrolled participants for the current fiscal year and preceding three years (NOTE: If this information was documented in the previous review within the previous 12 months this information does not need to be submitted)
- 17) Policy/documentation used if racial and ethnic data was obtained by observation
- 18) Picture of "And Justice for All" Poster
- 19) Holiday schedule for the previous and current fiscal years
- 20) Property Standards Policy and Procedure
- 21) Picture of infant formula the facility has in stock with expiration date
- 22) Any other records that may support the claim for reimbursement
- 23) Monthly program records (as applicable): This list should already be in the sponsoring organizations possession for the test month.

- Provide all documents to support the claim for reimbursement
  - General ledger or other comprehensive record management system that captures all the financial transactions and/or activities conducted for the institution's food service program
  - Itemized invoices
  - Itemized receipts
  - Bank statements
  - Timesheets
  - Payroll records
  - Cancelled checks
  - Leases
  - Contracts
- Meal Count Records
- Menus
- Facility and/or home monthly attendance records
- Cash receipts and disbursement journal or approved comparable document
- Disbursement checks to facilities and/or homes
- (NOTE: If the Sponsoring Organization has income eligibility applications and enrollment documentation, the sponsor should only request documentation for participants that may have enrolled within the month)
- Income eligibility applications
- CACFP participant enrollment forms/documentation of enrollment as required by 7 CFR §226

### **Conducting a desk review of sponsored facilities:**

The compliance monitoring tool for facilities is broken into the following sections:

- General
- Review of records and documentation
- Documents to assess on the day of review
- Assessment of Documentation for the test month
- Summary

### **General Section:**

This section of the review tools can be completed as a desk review. Most of the information can be found in NC CARES or on the Division of Child Development and Early Education's (DCDEE) website. All questions that require observation, respond with a N/A. If N/A is not available for the purpose of the desk review, N/A may be added.

### **Review of Records and Documentation Section:**

This section of the review tool can be a desk review. Most information can be found in NC CARES.

When completing this section of the review the Sponsoring Organization should have the facility email or fax the following information:

- Attendance records for the previous five days from the date the monitoring form is being completed.

All questions that require observation, respond with a N/A. If N/A is not available for the purpose of the desk review, N/A may be added.

**Documents to Assess on the Day of the Review Section:**

Some of the information in this section can be obtained in NC CARES.

All questions that require observation, respond with a N/A. If N/A is not available for the purpose of the desk review, N/A may be added.

**Meal Observation**

Per 7 CFR §226.16 (d)(4)(iii)(B), at least one unannounced review must include observation of a meal service. If Sponsoring Organizations are conducting monitoring of facilities between March 19, 2020 and May 1, 2020, this would be considered an announced review, since a letter will be sent to sponsored facilities requesting documentation. Sponsoring organizations will document that a meal observation was not able to be conducted due to the suspension of on-site monitoring for sponsored facilities. Sponsoring organizations should plan to make up these missed meal service observations for sponsored facilities, depending on the duration and severity of the pandemic.

**Assessment of Documentation for the Test Month**

The test month is always a month in which the facility has submitted a claim. For this reason, Sponsoring Organizations should not have to request this information, it should have been submitted. After the sponsor reviews and assesses the documentation, this section of the monitoring tool can be completed.

**Summary**

After assessing all documentation determine if no corrective action or corrective action is required. Complete the appropriate section. If corrective action is required complete the Summary-Corrective Action Documentation (CAD) section of the monitoring tool.

**Signatures**

The review tool should be signed and dated by the Sponsoring Organization. The Sponsoring Organization is responsible for reviewing the review tool with the sponsored facility via telephone and provide any technical assistance as necessary. The Sponsoring Organization must send a copy of the review tool to the sponsored center for signature. Electronic signatures are acceptable. The Sponsoring Organization must receive a signature from the sponsored facility within 7 days of receipt of the review tool. The sponsored facility does not have to return the entire review, submitting the signature page is acceptable.

Failure of sponsored day care homes to comply with the request for records could result in the home being determined as serious deficient.

If you have questions or concerns, please contact your assigned regional consultant.