



To: Child and Adult Care Food Program (CACFP) Sponsors
From: Brigette Hires, Administrator, Office of Nutrition
Date: August 23, 2024
Subject: Ohio CACFP Monitoring Requirements

Policy Introduction

The United States Department of Agriculture (USDA) Food and Nutrition Service published the [Child Nutrition Program Integrity Final Rule](#) on August 23, 2023. The following provisions have a compliance date of August 23, 2024, and are consistent with the statutory mandate under 17(d)(2)(C) of the NSLA. FNS codified regulations at [7 CFR 226.6\(m\)](#) to increase the frequency of reviews for some institutions operating the CACFP. Accordingly, USDA published [Policy Memo CACFP 05-2024](#)

Monitoring is an essential part of program oversight and ensuring integrity in the CACFP. Routine monitoring activities help to identify and prevent management deficiencies, fraud, and abuse, and improve CACFP operations. Regulations at [7 CFR 226.6\(m\)](#) require state agencies to annually review at least a third (33.3 percent) of all institutions participating in the CACFP in each state. [The Child Nutrition Program Integrity Final Rule](#) amended CACFP monitoring regulations to include additional provisions.

The Ohio Department of Education, Office of Nutrition (hereby known as the Department) is the compliance agency of the CACFP in Ohio. The Department's implementation of the new monitoring provisions are detailed below.

Existing CACFP Monitoring Requirements

The following existing CACFP monitoring requirements remain in effect and unchanged:

- Independent centers must be reviewed at least once every 3 years. State agencies are required to annually review at least a third (33.3 percent) of all institutions participating in the CACFP.
- Sponsoring organizations with up to 100 facilities must also be reviewed at least once every 3 years.
- Sponsoring organizations with more than 100 facilities must be reviewed at least once every 2 years.
- New sponsoring organizations with five or more facilities must be reviewed within the first 90 days of operations.

New Additional CACFP Monitoring Requirements:

The following monitoring requirements are added to the existing monitoring requirements previously stated:

I. Review on a 2-year cycle, institutions that conduct activities other than those expressly related to the administration and delivery of CACFP.

Activities and institutions that would be subject to more frequent monitoring include those listed below. Note that participation in other child nutrition programs and activities related to providing childcare, are not considered when determining increased monitoring requirements for CACFP

- Contract services, such as training and administrative services;
- Community-based organizations;
- Large nonprofit and for-profit institutions, such as multi-state sponsoring organizations;
- Food banks; and/or
- For-profit charter schools.

II. Review on a 2-year cycle, institutions that had prior reviews that detected serious management problems.

Serious management problems include the types of administrative weaknesses that affect an institution's ability to meet CACFP performance standards—financial viability, administrative capability, and accountability. The Department will review findings identified in the previous two management evaluations to identify serious management problems.

Examples of serious management problems include but are not limited to inability to pass financial viability, failure to adequately staff their program, sponsoring organizations that do not employ sufficient staff to meet the ratio of monitors to facilities, inaccurate record keeping and failure to meet meal patterns.

III. Review on a 2-year cycle, institutions that are at risk of serious management problems.

State agencies must also increase the review cycle to every two years for sponsoring organizations that are at risk of serious management problems.

Sponsoring organizations may be at risk of serious management problems if there has been significant staff turnover, a change in ownership, loss of other funding sources, new licensing, complaints about a sponsoring organization, sizable

differences in the number of claims or the amount of claims submitted by an institution, or large increases in the number of sponsored centers or day care homes.

The Department will review the number of claims, and the amounts of claims submitted and determine if a 10% increase is detected that could indicate the risk of serious management problems.

The Department will add a two-year review cycle to any sponsor adding three or more sponsored centers in a 12-month period.

Program operators are reminded to review the [Changes in Ownership Policy](#), including sponsor responsibilities upon sale of the business, and the regulations requiring new owners to apply for the CACFP as a new sponsor.