PART 2

APPLYING TO PARTICIPATE IN THE PROGRAM

This section provides information on the application process for participation in the At-Risk Afterschool Meals component of CACFP.

- APPLICATION PROCEDURES FOR NEW INSTITUTIONS
- ANNUAL INFORMATION SUBMISSION REQUIREMENTS FOR EXPERIENCED INSTITUTIONS
- CHANGES TO PARTICIPATING CENTERS
- APPLICATION PROCESS FOR INSTITUTIONS PARTICIPATING IN OTHER CACFP COMPONENTS
- APPLICATION PROCESS FOR SFSP SPONSORS
- APPLICATION PROCESS FOR SFA’S PARTICIPATING IN NSLP
APPLICATION PROCEDURES FOR NEW INSTITUTIONS

Organizations must submit an application (written or electronic) to the State agency to participate in the At-Risk Afterschool Meals component of CACFP. Applicants must describe how they meet the eligibility criteria. The State agency will do a pre-approval visit of private nonprofit and for-profit institutions to confirm the information in the application and to further assess the institution’s ability to manage CACFP [7 CFR 226.6(b)(1)]. State agencies may waive the requirement for pre-approval visits for centers that operated as SFSP sites (CACFP 12-2013: Transitioning from the Summer Food Service Program to the Child and Adult Care Food Program At-Risk Afterschool Meals, May 31, 2013).

THE FOLLOWING COMPONENTS MUST BE INCLUDED IN A NEW INSTITUTION’S APPLICATION:

☑ CONFIRMATION OF AREA ELIGIBILITY OF CENTERS

Sponsors must submit a list of all applicant afterschool centers and documentation showing that the centers are located in eligible areas. Independent centers also must provide documentation that they are located in an eligible area [7 CFR 226.17a(e)].

Applicant organizations should contact the State agency that administers CACFP to obtain free and reduced price school enrollment data for proof of area eligibility. NSLP State agencies are required to provide to the CACFP State agency a list of area eligible schools each year.

☑ MANAGEMENT PLAN

Sponsors must submit a management plan that includes:

- Detailed information on the organization’s management and administrative structure.
- An administrative budget that includes projected CACFP administrative earnings and expenses and demonstrates the institution’s ability to manage Program funds.
• Sponsors’ budgets may not have administrative costs higher than 15 percent of the year’s estimated meal reimbursements. States may waive this limit, but waivers should only be granted if the sponsor provides justification that it needs Program funds in excess of 15 percent, and the State agency is convinced that the institution will have adequate funding to provide high quality, nutritious meals and snacks.

• A list or description of the staff assigned to Program monitoring.

• The procedures that the organization will use to administer the Program and that sponsors will use to disburse payments to sponsored child care facilities [7 CFR 226.6(b)].

**NOTE:**
SAs that are already successfully participating in the NSLP are not required to submit a separate management plan or budget (CACFP 04-2013: Streamlining At-Risk Afterschool Meal Participation for the School Food Authorities, November 28, 2012). Additionally, management plans are not required as part of the application if the institution intends to sponsor only one facility (CACFP 11-2007: Accommodations for Non-Traditional Program Operators, July 3, 2007).

**PREFERENCE FOR USDA FOODS/CASH IN LIEU OF USDA FOODS**
The USDA donates foods to States and States make those foods available to institutions. Institutions must indicate in their application if they prefer USDA Foods or cash in lieu of USDA Foods. Each year, State agencies must provide institutions with information about foods that will be available that year. This information is provided to the State agency by FNS [7 CFR 226.6(h)].

**PROVIDING BENEFITS TO UNSERVED FACILITIES OR PARTICIPANTS**
Sponsoring organizations must show documentation indicating that they meet their State’s criteria for ensuring delivery of benefits to otherwise unserved facilities or participants.

**INELIGIBILITY FOR OTHER PUBLICLY FUNDED PROGRAMS**
If an institution or any of its principals are included on the CACFP National Disqualified List (NDL) or have been declared ineligible for any other publicly funded program for violating that program’s requirements, States must deny their application.

• So that States can make this determination, institutions must submit:

  • A statement listing the publicly funded programs in which the institution and its principals have participated during the past 7 years; and

  • A certification that during the last 7 years, neither the institution nor its principals have been declared ineligible to participate in any other publicly funded program by reason of violating that program’s requirements; or

  • Instead of certification, an institution may provide documentation that it was later reinstated or determined eligible for the program, including the payment of any debts owed.

**DOCUMENTATION OF LICENSING/APPROVAL**
All sites must show that they meet State or local licensing requirements, if applicable. If there are no State or local licensing requirements, sites must show that they meet local health and safety standards [7 CFR 226.17(a)(d)].

**DOCUMENTATION OF TAX-EXEMPT STATUS**
All private nonprofit institutions must provide documentation of their tax-exempt status under the Internal Revenue Code of 1986 [7 CFR 226.6(b)].
INFORMATION ON CRIMINAL CONVICTIONS
If an institution or any of its principals have been convicted of any activity related to lack of business integrity in the past 7 years, a State agency may not approve the application. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice, or any other related activity as defined by the State.

CERTIFICATION OF TRUTH IN APPLICATION AND SUBMISSION OF NAMES AND ADDRESS
Institutions must certify that all information on the application is true and correct, along with the name, mailing address, and date of birth of the institution’s executive director and chairman of the board of directors.

OUTSIDE EMPLOYMENT POLICY
Sponsors must submit an outside employment policy restricting other employment by employees that interferes with an employee’s performance of Program duties and responsibilities.

BOND
Sponsors must submit a bond, if required by State law, regulation, or policy.

COMPLIANCE WITH PERFORMANCE STANDARDS
An applying institution must demonstrate that it can comply with the following performance standards:

- **Financial viability and financial management:**
  - Institutions must document that participation will help ensure the delivery of benefits to otherwise unserved facilities or participants.
  - Institutions must demonstrate that they have the financial resources to operate the Program on a daily basis and adequate funds to withstand temporary interruptions in Program payments and/or fiscal claims.
  - Costs in the institution’s budget must be necessary, reasonable, allowable, and appropriately documented.

- **Administrative capability:**
  - Institutions must have an adequate number and type of qualified staff.
  - Sponsors must employ enough staff to meet the monitoring requirements (one full-time staff person for each 25-150 centers it sponsors) [7 CFR 226.16(b)(1)].
  - Sponsors must have written policies and procedures that assign responsibilities and duties, and ensure compliance with civil rights requirements.
• **Program accountability:**
  
  - Nonprofit institutions must have adequate oversight by the governing board of directors.
  
  - The institution must have a financial system with management controls in writing. For new sponsors these written policies must ensure:
    - Fiscal integrity and accountability for all funds and property received, held, and disbursed.
    - Integrity and accountability of all expenses incurred.
    - That all claims will be processed accurately, and in a timely manner.
    - That funds and property are safeguarded and used, and expenses incurred, for authorized Program purposes.
    - That a system of safeguards and controls is in place to prevent and detect improper financial activities by employees.
  
  - Institutions must maintain records to document compliance with Program requirements, including budgets, accounting records, approved budget amendments, and for sponsors, management plans.
  
  - New sponsors must document in their management plan that they will:
    - Provide adequate and regular training of staff and sponsored centers.
    - Perform monitoring to ensure centers are appropriately operating the Program.
    - Have a system in place to ensure that administrative costs funded from the Program do not exceed 15 percent of estimated or actual meal reimbursements.

• Independent centers and sponsored facilities must have practices in place to ensure that the meal service, recordkeeping, and other Program requirements are performed properly. These practices must be documented in the application of independent centers or the sponsor management plans and must document that centers will:
  
  - Provide meals that meet meal pattern requirements.
  
  - Comply with any licensing and health and safety requirements.
  
  - Have a food service that complies with applicable State and local health and sanitation requirements.
  
  - Comply with civil rights requirements.
  
  - Maintain complete and appropriate records on file.
  
  - Claim reimbursement only for eligible meals.

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**NON-DISCRIMINATION STATEMENT AND MEDIA RELEASE**

Sponsors and independent centers must submit a non-discrimination policy statement (see Page 2 for language) and a media release announcing the availability of meals and snacks at no charge unless the State agency has issued a statewide media release on behalf of all institutions [7 CFR 226.6(b)].
State Agency Review of Applications

The State agency must determine the eligibility of each At-Risk Afterschool Program based on the information included in the application. The State agency also must determine the area eligibility of independent At-Risk Afterschool Care centers [7 CFR 226.17a(f)].

State agencies must notify institutions in writing if they have been approved to participate in the Program within 30 days of receipt of a complete application [7 CFR 226.6(b)].

Agreement

Once the State agency has approved an organization’s application, the State agency and the sponsor or independent center will enter into a permanent agreement. The agreement must describe the approved At-Risk Afterschool Care Program(s) and list the approved facilities. The agreement also must require the institution to comply with applicable requirements.

Although the agreement is permanent, it may be terminated for cause by the State agency if the institution does not comply with Program requirements (CACFP 07-2011: Child Nutrition Reauthorization 2010: Permanent Agreements in the Summer Food Service Program and the Child and Adult Care Food Program, January 14, 2011).

State agencies that administer more than one Child Nutrition Program are required to enter into a single agreement with SFAs that operate more than one Child Nutrition Program [7 CFR 225.6(e)].

EXAMPLE

If an SFA is already participating in NSLP and wishes to offer the At-Risk Afterschool meals component of CACFP, the State agency could simply add an addendum to the existing agreement (CACFP 04-2013: Streamlining At-Risk Afterschool Meal Participation for School Food Authorities, November 28, 2012).

State agencies are also strongly encouraged to enter into a single agreement with other sponsors operating more than one Child Nutrition Program, including SFSP. Therefore, if the same State agency administers both CACFP and SFSP, SFSP sponsors interested in offering Afterschool Meals through CACFP during the school year are required only to sign an addendum to the existing SFSP agreement. In States where CACFP and SFSP are administered by different State agencies, sponsors must enter into an agreement with both State agencies. However, the State agencies are encouraged to work together to share information and streamline the agreement process.
As a result of the passage of the Healthy, Hunger-Free Kids Act of 2010, renewing institutions are no longer required to submit renewal applications on a periodic basis. Instead, renewing institutions are required to annually provide:

- Updated licensing information for each independent center and facility participating in CACFP (the State may choose to get this information directly from the State licensing agency).
- Certification that any information previously submitted to the State is current (see CACFP 19-2011: Child Nutrition Reauthorization 2010: Child and Adult Care Food Program Applications, April 8, 2011, for a prototype certification).
- For sponsors, a budget for the upcoming year and, if required by the State agency, a budget for independent centers.
- A media release announcing the availability of meals and snacks at no charge to the institution’s attendance area (unless the State chooses to issue a statewide media release).
- Area eligibility data for each new center (or centers whose five-year qualification period is expiring), which may include the most recent free and reduced-price school data and attendance area information which it has obtained, or verified with the appropriate school officials to be current, within the last school year [7 CFR 226.17a (g)].

Independent centers or sponsors must notify the State agency of any substantive changes to the At-Risk Afterschool Program, including changes to existing sites, contact information, and key staff. Sponsors that want to add new At-Risk Afterschool centers must provide the State agency with information indicating that the new centers meet Program requirements, including area eligibility [7 CFR 226.17a (h)]. These centers must be approved by the State agency before claims may be submitted.
APPLICATION PROCESS FOR
INSTITUTIONS PARTICIPATING
IN OTHER CACFP COMPONENTS

If an institution is already participating in CACFP and wants to add At-Risk Afterschool Meals and/or Snacks, the agreement with the State agency must be amended to reflect this additional meal service and its requirements.

APPLICATION PROCESS FOR
SFSP SPONSORS

A streamlined process that eliminates duplicative application requirements is in place for SFSP sponsors in good standing that wish to apply to participate in CACFP for the first time. Sponsors considered in good standing are those that are not currently seriously deficient in their operation of the SFSP.

Because SFSP sponsors are already familiar with operating a Child Nutrition Program, they are not required to provide documentation that they have practices in place to ensure that the meal service, recordkeeping, and other Program requirements are performed properly. Successful operation of SFSP provides evidence of this performance standard.

Management plans are not required as part of the CACFP application unless the institution intends to sponsor more than one facility. In addition, At-Risk Afterschool centers are afforded latitude with regard to budgets. The level of budgetary detail requested should be commensurate with the size and scope of the applicant.
CACFP sponsoring organizations are required to provide documentation indicating that they meet their State’s criteria for ensuring delivery of benefits to otherwise unserved facilities or participants. Because States already have a priority system in place for selecting SFSP sponsors to eliminate an overlap in service, States generally need not require existing SFSP sponsors applying to participate in CACFP to provide any further documentation of providing benefits to unserved facilities or participants. Additionally, the following are required for participation in SFSP and therefore are not required to be produced as part of the CACFP application process:

- **Confirmation of Area Eligibility of Centers:** SFSP sites that establish area eligibility through the use of school data may use their area eligibility determination for SFSP and CACFP Afterschool Meals for a period of five years. There is no need to re-establish area eligibility for CACFP. However, because area eligibility for CACFP At-Risk Afterschool Meals must be based on school data, SFSP sites that established eligibility using census data or based on income eligibility forms (IEFs) must provide additional documentation indicating that they are area eligible based on school data.

- **Non-discrimination Statement:** SFSP sponsors are not required to resubmit a non-discrimination policy statement to participate in the CACFP.

- **Media Release:** If the media release submitted for SFSP indicated that the sponsor offers year-round meal services, an additional media release for CACFP is not required.

- **Health and Safety Inspections:** Where the State or local health and safety inspection standards for At-Risk Afterschool centers and SFSP feeding sites are the same, CACFP State agencies may accept documentation of a current inspection obtained by a sponsor for SFSP.

- **Documentation of Tax-exempt Status:** Private nonprofit organizations are not required to resubmit documentation of tax exempt status for CACFP when such documentation was submitted for purposes of participation in SFSP.

These simplifications are easiest to implement when the same State agency administers both the CACFP and SFSP. However, in States where the CACFP and SFSP are administered by separate agencies, FNS has encouraged the CACFP and SFSP State agencies to collaborate and share information where applicable to continue to streamline participation (CACFP 12-2013: Transitioning from the Summer Food Service Program to Child and Adult Care Food Program At-risk Afterschool Meals, May 31, 2013).
The requirements for SFAs that provide Afterschool Meals are more flexible because they are already operating another Child Nutrition Program. When applying to participate in CACFP, SFAs that have successfully operated the NSLP are not required to provide additional evidence of administrative capability and financial viability. Additionally, State agencies may waive the requirement for SFAs to submit a separate management plan and budget for CACFP. SFAs have additional flexibility relating to the meal patterns (see Part 3, Section D).

State agencies may accept a copy of the NSLP application from SFAs that wish to participate in the At-Risk Afterschool Meals component of CACFP. However, the State agency must ensure that additional information required by 7 CFR 226.6(b) that is not captured by the NSLP application or otherwise available to the State agency is obtained. This might be accomplished by creating an addendum to the NSLP application that includes the additional information required for participation in CACFP:

- **The names, mailing addresses, and dates of birth of the responsible principals and individuals.** For SFAs, responsible principals and individuals include, at a minimum, the school food service director and accountant, and the responsible administrator (principal or superintendent).

- **Documentation of eligibility.** CACFP State agencies must obtain documentation indicating that each school that will be offering At-Risk Afterschool Meals through CACFP offers educational or enrichment activities and is a school where at least 50 percent of the children are eligible for free or reduced price school meals or is located in the attendance area of an eligible school as required by 7 CFR 226.17a(a).

- **Preference for USDA Foods/cash in lieu of USDA Foods.** The CACFP State agency must determine whether the SFA prefers USDA Foods or cash in lieu of USDA Foods unless the State agency has received approval to provide cash-in-lieu of USDA Foods for all institutions.

- **Ineligibility for other publicly funded programs.** SFAs must provide a list of all Federal programs in which they participate. Additionally, the SFA must certify that during the last seven years, the SFA and the individual responsible for the food service have not been:
  - Declared ineligible to participate in any other publicly funded program by reason of violating that program’s requirements or provide documentation that it was later reinstated or determined eligible for the program; or
  - Convicted of any activity that indicated a lack of business integrity.

- **Certification.** The SFA must submit a certification that all information on the application is true and correct, along with the name, mailing address, and date of birth of the individual authorized to sign for the SFA (7 CFR 226.6(b)(1)).
1. BECAUSE AGREEMENTS BETWEEN STATES AND SPONSORS ARE PERMANENT, IS IT NECESSARY TO PROVIDE FREE AND REDUCED PRICE SCHOOL DATA IN SUBSEQUENT YEARS OF OPERATING THE PROGRAM?
Yes. Area eligibility determinations remain valid for five years and must be reestablished or re-verified after that point. “Permanent” is intended solely to convey that the agreement has no predetermined expiration date and does not need to be renewed.

2. HOW DO I DEMONSTRATE THAT I AM SERVING AN UNSERVED POPULATION?
Institutions must demonstrate in the management plan that their participation will help ensure benefits to otherwise unserved facilities or participants. States establish their own criteria for determining if an applicant’s participation will benefit unserved facilities or participants.

3. FOR A SCHOOL OR ORGANIZATION THAT IS ALREADY PARTICIPATING IN CACFP AND NOW WANTS TO PROVIDE AT-RISK AFTERSCHOOL MEALS AND/OR SNACKS, DOES ITS AGREEMENT WITH THE STATE AGENCY NEED TO BE AMENDED?
Yes. Once the State agency approves an institution’s application to provide At-Risk Afterschool Meals and/or Snacks, the agreement with the State agency needs to be amended to reflect this additional meal service and its requirements. This can be accomplished by signing a simple addendum to the CACFP or NSLP agreement.