

1. State agency submitting waiver request and responsible State agency staff contact information:

ISBE: Mark Haller, Director

2. Region:

Midwest

3. Eligible service providers participating in waiver and affirmation that they are in good standing:

Eligible service providers participating in the state wide waiver:

- Child and Adult Care Food Program (CACFP) sponsors of centers that charge an administrative fee, currently there are four (4) sponsors in this category. Sponsors have to be in good standing to use the waiver.
- Small organizations (3 or less sites) operating multiple day care centers under the same Federal Employer Identification Number (FEIN) that want to operate the CACFP at At-Risk Afterschool care centers and/or Child Care centers and have not had previous experience operating the CACFP. Organizations would have to be in good standing to use the waiver.

4. Description of the challenge the State agency is seeking to solve, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted. [Section 12(I)(2)(A)(iii) and 12(I)(2)(A)(iv) of the NSLA]:

In Illinois, there are small organizations operating multiple day care centers under the same FEIN. Due to their small size and often due to their location in low-income areas, these organizations find it difficult to obtain and maintain staff in order to operate the CACFP. As a result, many of these organizations are not participating in CACFP since Program regulations do not support a sponsoring organization's sponsorship of another sponsoring organization.

We are requesting a waiver that will allow the option of small organizations operating multiple day care centers under the same FEIN to participate as sponsored centers under a sponsoring organization. The sponsoring organization would provide training, pre-approval visits, monitoring, edit checks, submission of monthly claims for reimbursement, and distribute monthly CACFP reimbursement. The sponsored center would provide staff, activities, meal counting, and meals.

The sponsoring organization would use the current program agreement, ISBE form 67-62A Permanent Agreement CACFP Sponsoring Organization of Unaffiliated Child Care Facilities Providing Program Funds, which further details the rights and responsibilities of the sponsoring organization and sponsored center.

Once the organization exceeds 3 sites, it would be required to cease their participation under a sponsoring organization and apply to participate as their own sponsoring organization. In no circumstance would an organization be allowed to have sponsored centers under one sponsoring organization and also be their own sponsoring organization.

The outcome of the waiver would be to expand access of the CACFP to small organizations operating multiple centers under the same FEIN who otherwise would not participate. In addition, it would allow these small organizations to gain CACFP experience prior to becoming their own sponsor.

5. Specific Program requirements to be waived (include statutory and regulatory citations). [Section 12(I)(2)(A)(i) of the NSLA]:

The definition of "Sponsoring Organization at 7 CFR Part 226.2 and also part of FNS Instruction 788-3 REV. 2 "Classification of Applicants in the Child and Adult Care Food Program" in the paragraph which states: *"When the two entities are legally separate, the administering agency may wish to determine whether both will perform program functions, and whether the legal involvement of both is necessary to ensure financial responsibility for the Program. If neither of these conditions applies, the entity which does not perform program responsibilities is superfluous and may create administrative confusion at both the administering agency and institution levels. In such situations, it may be advisable to recommend that the prospective sponsoring organization withdraw from the application, and that the center enter the Program as an independent center."*

6. Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring: Attachment A SP 15-2018, CACFP 12-2018, SFSP 05-2018 Page 2

No alternative procedures would be needed. There is no additional impact or change to program operations. ISBE application, claim, and monitoring system is capable of this request.

7. Description of any steps the State has taken to address regulatory barriers at the State level. [Section 12(I)(2)(A)(ii) of the NSLA]:

The State has provided technical assistance and training to these small organizations on how to apply and participate in the CACFP as a sponsoring organization. When reaching out to these organizations and each year at renewal time, the sponsoring organization would be required to inform them they could participate as their own sponsoring organization or as a sponsored center and provide a fact sheet that describes both options.

8. Anticipated challenges State or eligible service providers may face with the waiver implementation:

We do not anticipate any challenges since the waiver is targeting small organizations with 3 or less sites. If any challenges arise, the State will provide technical assistance and guidance on these areas as needed.

9. Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds. [Section 12(I)(1)(A)(iii) of the NSLA]:

There will be no increase to the overall cost for allowing these small organizations to participate as a sponsored center since the amount of reimbursement earned and paid would be the same under either scenario.

10. Anticipated waiver implementation date and time period:

The waiver would be implemented upon approval.

11. Proposed monitoring and review procedures:

No change to ISBE monitoring or review procedures. The sponsoring organizations would monitor each sponsored center in accordance with regulations.

12. Proposed reporting requirements (include type of data and due date(s) to FNS):

No additional reporting requirements would be required. ISBE and sponsoring organizations will comply with current FNS reporting requirements.

13. Link to or a copy of the public notice informing the public about the proposed waiver [Section 12(I)(1)(A)(ii) of the NSLA]:

ISBE would post the notice on its website.

14. Signature and title of requesting official:

Mark Haller, Director
mhaller@isbe.net

A handwritten signature in black ink, appearing to read "Mark Haller", followed by a long horizontal flourish.