

Illinois State Board of Education
Nutrition & Wellness Programs
100 North First Street, W-270
Springfield, Illinois 62777-0001
800-545-7892
Fax 217-524-6124 TTY 217-782-1900

Child and Adult Care Food Program Day Care Home Sponsoring Organization Agreement

Legal Name of Institution

Address of Institution (Street, City, State, Zip Code)

To comply with the intent and purpose of Section 17 of the National School Lunch Act as amended and the regulations governing the Child and Adult Care Food Program (CACFP) issued thereunder 7CFR Part 226 referred to as "Program," the Illinois State Board of Education referred to as "State Agency," and the institution whose name and address appear above acting on behalf of each day care home, covenant and agree as follows in this agreement.

DEFINITIONS

Children means (a) persons age 12 and under; (b) persons age 15 and under who are children of migrant workers; (c) persons with disabilities, as defined by the State, (d) persons age 18 and under who are residents of emergency shelters; and (e) persons age 18 and under at the start of the school year for at-risk afterschool care centers.

Day care home means an organized nonresidential child care program for children enrolled in a private home licensed or approved as a family or group day care home, and under the auspices of a sponsoring organization.

Day care home provider or **provider** means a person or persons who operate a day care home.

Facility means a sponsored center or a family day care home.

Household contact means a contact made by a sponsoring organization or a State Agency to an adult member of a household with a child in a family day care home or a child care center in order to verify the attendance and enrollment of the child and the specific meal service(s) the child routinely receives while in care.

Institution means a sponsoring organization, child care center, at-risk afterschool care center, outside-school-hours care center, emergency shelter, or adult day care center which enters into an agreement with the State Agency to assume final administrative and financial responsibility for Program operations.

Key staff means a day care home provider, and a jointly licensed provider under the Department of Children and Family Services (DCFS) and assistant, if applicable.

National Disqualified List means the list, maintained by the United States Department of Agriculture (USDA), of institutions, responsible principals and responsible individuals, and day care homes disqualified from participation in the Program.

Principal means any individual who holds a management position within, or is an officer of, an institution or a sponsored center, including all members of the institution's board of directors or the sponsored center's board of directors.

Program means the Child and Adult Care Food Program authorized by Section 17 of the National School Lunch Act, as amended.

Responsible principal or **responsible individual** means (a) a principal, whether compensated or uncompensated, who the State Agency or Food and Nutrition Service (FNS) determines to be responsible for an institution's serious deficiency; (b) any other individual employed by, or under contract with, an institution or sponsored center, who the State Agency or FNS determines to be responsible for an institution's serious deficiency; or (c) an uncompensated individual who the State Agency or FNS determines to be responsible for an institution's serious deficiency.

Seriously deficient means the status of an institution or a day care home that has been determined to be noncompliant in one or more aspects of its operation of the Program.

Sponsoring Organization or **Sponsor** means a public or nonprofit private organization which is entirely responsible for the administration of the food Program in (a) one or more day care homes; (b) a child care center, emergency shelter, at-risk afterschool care center, outside school hours care center, or adult day care center which is a legally distinct entity from the sponsoring organization; (c) two or more child care centers, emergency shelters, at-risk afterschool care centers, outside school hours care centers, or adult day care centers; or (d) any combination of child care centers, emergency shelters, at-risk afterschool care centers, adult day care centers, day care homes, and outside school hours care centers. The term "Sponsoring Organization" also includes a an organization that is entirely responsible for administration of the Program in any combination of two or more child care centers, at-risk afterschool care centers, adult day care centers or outside school hours care centers, which meet the definition of For-profit center in this section and are part of the same legal entity as the sponsoring organization.

Tier I day care home means (a) day care home that is operated by a provider whose household meets income standards for free or reduced-price meals, as determined by the sponsoring organization based on a completed free and reduced-price application, and whose income is verified by the sponsoring organization of the home in accordance with § 226.23(h)(6); (b) a day care home that is located in an area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced-price meals; or (c) a day care home that is located in a geographic area, as defined by FNS based on census data, in which at least 50 percent of the children residing in the area are members of households which meet the income standards for free or reduced-price meals.

Tier II day care home means a day care home that does not meet the criteria for a Tier I day care home.

In addition to the foregoing definitions, other terms in this Agreement shall have the same meaning as set out for Child and Adult Care Food Programs in the Code of Federal Regulation, 7 CFR Section 226.2.

THE STATE AGENCY AGREES THAT, to the extent of funds available, it shall reimburse the institution in connection with meals served to children at the day care homes listed in the application in accordance with Federal Child and Adult Care Food Program regulations (7CFR Part 226).

THE INSTITUTION REPRESENTS AND WARRANTS THAT (1) it is the governing body responsible for the administration of the day care homes under this application and it is the agency to which the day care homes have delegated authority for the operation of their food service to the institution, and (2) it is a public or nonprofit agency that has tax-exempt status under the Internal Revenue Code of 1986. The Sponsoring Organization agrees to the following:

1. Accept final financial and administrative responsibility for the management of the Program with proper, efficient, and effective food service for each day care home under its jurisdiction without cost to the facilities in accordance with 7CFR Part 226. No institution may contract out for the management of the Program.
2. Ensure adequate supervisory and operational personnel are provided for the overall management of the Program.
3. Ensure meals served meet the requirements and provisions set forth in 7CFR Part 226 and the same meals are served to all enrolled children at no separate charge; and there is no discrimination in the course of the food service regardless of race, color, national origin, sex, age, or disability.
4. Ensure each participating day care home has appropriate federal or state licensing to provide day care services to children. Day care homes complying with applicable procedures to renew licensing for approval may participate in the Program during the renewal process.
5. Ensure its day care homes provide organized child care for children in nonresidential settings.
6. Ensure license-exempt day care homes that receive Illinois Department of Human Services (IDHS) child care assistance are operating in nonresidential settings to be eligible to participate in the Program.
7. Ensure necessary facilities are maintained for storing, preparing, and serving food and proper sanitation and health standards are in conformance with all state and local laws and regulations.
8. Ensure all institution costs of operation are accounted for through the consistent use of Generally Accepted Accounting Principles.

Training

9. Conduct Pre-Approval Visits at each new day care home to discuss program benefits, program requirements, and to verify food service operations.
10. Included in the training must be instructions appropriate to the level of staff experience and duties; details on the Program's meal patterns, meal counts, claims submission, and review procedures; record keeping requirements; and an explanation of the Program's reimbursement system.
11. Notify the day care homes under its jurisdiction of all Program policies and procedures through On-Site Reviews, online training modules, newsletters, and workshops regarding program duties and responsibilities.
12. Distribute Building the Future brochure to all day care home providers and ensure distribution to all parents and guardians of enrolled children. The brochure must include Program information and benefits, the name and telephone number of the provider's Sponsoring Organization, and the name and telephone number of the State Agency.
13. Distribute Women, Infants, and Children (WIC) information to day care home providers and ensure it is disseminated to all parents and guardians of enrolled children.
14. Ensure all employees of the Sponsoring Organization receive continuous training on Program updates to provide day care homes with current technical assistance and client services.
15. Annually conduct mandatory training on Program requirements for key staff for each day care home. Training must be a minimum of two hours.

Record Keeping

16. Maintain information on training sessions, dates, locations, and attendees as well as topics presented for internal staff and day care homes.
17. Provide Program record keeping forms to the day care home provider, such as enrollment, menus, and meal attendance; Household Eligibility Applications; and Program policies and procedures handbooks.
18. Ensure written procedures are established to collect and maintain all Program records required under Part 226 of the Federal rules.
19. Annually collect enrollment forms for all children enrolled for child care in each day care home. This includes enrollment forms for the day care home provider's own children 12 years of age and younger.
20. Maintain all day care home provider information including but not limited to: Site Information Sheets, tiering information, menus and meal attendance sheets, enrollment documents, licensing, Household Eligibility Applications, and all other provider information.
21. Submit monthly an electronic batch file that contains provider information updates to ensure proper reimbursement for each provider. The electronic file must meet data requirements established by the State Agency.
22. On a monthly basis, review, evaluate, and maintain each day care home provider's menu and meal attendance records.
23. Claim meal reimbursement for only those day care homes approved to participate in the Program and only for the meal types specified on their Site Information Sheets.
24. Disallow meals claimed for reimbursement if the day care home provider's records are incomplete, inaccurate, or missing. Disallow if meals do not meet Program meal pattern requirements or if meals are claimed in excess of the authorized Illinois Department of Children and Family Services (DCFS) license capacity or Illinois Department of Human Services enrollment. Claim no more than two meals and one snack or two snacks and one meal per child per day. Claim no more than the actual number of allowable meals or snacks provided by the day care home provider.
25. Maintain records on administrative expenditures associated with the Program such as itemized receipts goods and services, bank statements, canceled checks, mileage records, and indirect costs. Submit a monthly expenditure report by line item according to state agency guidelines.
26. Comply with record keeping requirements in 7 CFR Part 226, Office of Management and Budget (OMB) circulars, U.S. Food and Nutrition Service (FNS Instruction 796-2, Revision 4), and any instructions and handbooks issued by the USDA and/or the State Agency.
27. Upon request, make all accounts and records pertaining to the Program available to the State Agency, the State Agency's designated auditor, the United States Department of Agriculture, and the General Accounting Office for an audit or Administrative Review at a reasonable time and place.
28. Professional courtesy is required of sponsor during all administrative functions of the sponsor to include interaction with providers and state and federal agencies.
29. Retain records for a period of three years after the end of the fiscal year and seven years for providers placed on the National Disqualified List. The record must be maintained longer if audit or investigation findings have not been resolved or money is due in which case the records shall be retained until all issues raised by the audit or investigation have been resolved.

Tiering

30. Determine which day care homes under its sponsorship are eligible as Tier I homes by school data or census data. The Sponsoring Organization, State Agency, or USDA Food and Nutrition Service may change the determination if information becomes available indicating a day care home provider is no longer Tier I eligible.
31. Distribute Household Eligibility Applications to day care home providers who wish to be eligible for Tier I reimbursement and who wish to claim their own children in the Program.
32. Verify day care home provider's household income for all day care home providers applying for Tier I eligibility by Household Eligibility Application
33. Inform Tier II day care home providers of all their options for receiving reimbursement for meals served to enrolled children.
34. Upon request of a Tier II provider, distribute Household Eligibility Applications to households of all children enrolled in the day care home and determine the eligibility of enrolled children for Tier I and Tier II reimbursement.
35. Keep all household income eligibility information confidential from day care home providers and limit the use of such information to persons directly connected with the administration of the Program.
36. Annually provide the names of day care home providers' and their Supplemental Nutrition Assistance Program (SNAP) numbers as specified by the State Agency for Tier I reimbursement based on SNAP eligibility.
37. Submit timely information concerning the Program eligibility status of day care homes including information for licensing, types of meal service, enrollment, shifting, and address information.

Claims

38. Submit Claims for Reimbursement in accordance with procedures established by the State Agency.
39. Prior to submitting consolidated monthly claims, ensure all required edit checks are performed on the provider's meal claim. At a minimum, the Sponsoring Organization's edit checks must:
 - A. Ensure all children enrolled for child care in each day care home has an enrollment form, including the day care home provider's own children under 12 years of age.
 - B. Verify each day care home provider has been approved by the State Agency to serve the types of meals claimed.
 - C. Compare the number of meals claimed to the maximum meals eligible to be claimed per meal type. For each meal type, the maximum number of meals eligible to be claimed is equal to the total number of children enrolled in each day care home multiplied by the number of approved operating days.
40. Maintain information concerning dates and amounts of disbursements the Sponsor makes to each day care home.
41. Ensure payments to providers for meal reimbursement are disbursed by the Sponsor within five working days of the Sponsor's receipt of funds from the State Agency

Monitoring

42. The institution must meet monitoring staffing standards by employing an appropriate number of monitoring staff to review day care homes.
43. Maintain information concerning the location and dates of each day care home monitoring review, any problems noted, and corrective action prescribed and effected.
44. Review each day care home provider a minimum of three times a year, including the requirements of:
 - A. At least two of the three reviews must be unannounced.
 - B. These reviews must be conducted during the day care home provider's normal business hours. Ensure the reviewer shows photo identification when conducting a review.
 - C. At least one meal service observation must be at an unannounced review.
 - D. No more than six months may elapse between each review.
 - E. At least one review must be made during the day care home's first four weeks of program operation.
 - F. All reviews must include reconciliation of meal counts for five consecutive days.
 - G. When reviewing, if staff discovers conduct or conditions in a home that pose an imminent threat to the health or safety of participating children, they must notify the appropriate State or local licensing authorities and take action consistent with the recommendations and requirements of those authorities.
45. If a Sponsoring Organization detects one or more serious deficiencies while conducting a day care home review, the next review of that day care home must be unannounced.
46. Ensure prompt action is taken to correct deficiencies found at the time of the initial review. Review of food service operations must be in accordance with 7CFR Part 226. Review elements must include the meal pattern, licensing or approval, attendance at training, meal counts, menu and meal records, and ensure enrollment forms are updated annually.

Seriously Deficient

47. Establish and maintain a Serious Deficiency Process and procedures through review of menus, meal attendance sheets, monitoring procedures, and/or complaint referrals.
48. Provide a copy of the seriously deficient procedures and a list of serious deficiencies to day care home providers.
49. Determine a day care home provider seriously deficient if that provider meets the criteria for serious deficiencies.
50. Conduct an unannounced Follow-Up Review after a provider has been determined seriously deficient and a Corrective Action Plan has been submitted. Propose to the State Agency, that a day care home provider be terminated if an inadequate written Corrective Action Plan is returned to the Sponsor or if a Corrective Action Plan is not submitted in the required time period to the Sponsor. In the propose-to-terminate letter to provider, include the provider's right to an appeal and the proper timelines to respond.
51. Conduct household contacts to parents/guardians of enrolled children to verify attendance as defined in the Actions Leading to Serious Deficiencies document.
52. Include the provider's right to an appeal and the proper timelines to respond in a proposed termination letter. Terminate a day care home provider if the provider voluntarily terminates its agreement with the Sponsor after the provider received notification of its serious deficiency.
53. Prohibit the submission of a Site Information Sheet on behalf of a day care home provider if either the provider or its principals have been placed on the National Disqualified List.

Procurement

54. Purchase, in as large quantities as may be efficiently utilized in the Program, the foods designated as plentiful by the United States Department of Agriculture.
55. Accept and use, in as large quantities as may be efficiently utilized in the Program, such foods as may be offered as a donation by the State Agency.
56. Subscribe to the procurement standards applicable as set forth in 7CFR Part 226.22 for use by institutions as established in the appropriate regulation.
57. Maintain a written code of standards of conduct to govern the performance of its officers, employees, and/or agents in contracting with and expending Program funds, conducting procurement transactions in a manner that provides maximum open and full competition.
58. Maintain a system for contract administration which ensures the adequacy of contractual clauses; contractor conformance with terms, conditions, and specifications of the contract; or order and ensure adequate timely follow-up of all purchase actions. Public and not-for-profit, federal tax-exempt organizations' threshold for bidding is \$150,000.
59. Agree that, when issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money, all grantees receiving federal funds, including but not limited to state and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with federal money and (2) the dollar amount of federal funds for the project or program.
60. Agree to obtain a signed Debarment Form (ISBE Form 85-340) from all companies contracting with the institution when Child and Adult Care Food Program funds are utilized for payment of the contract.

Policy Statement

61. Maintain Policy Statement (ISBE Form 68-61D) and notify the State Agency by submitting changes to the statement.

Miscellaneous

62. If your organization is not-for-profit or a public entity, agree to follow the Office of Management and Budget (OMB) Circular 2 CFR 200 to have an organization-wide audit, or if the institution operates only one federal program, it may elect to have a program-specific audit when the institution expends more than \$750,000 in federal funds in a fiscal year. Failure to obtain and submit the required audits to the State Agency leads to a serious deficiency and/or disqualification from the program.
63. Agree any materials prepared with USDA grant support by the Sponsor may be freely copied by the United States Department of Agriculture or by other Sponsors under the Program.
64. Ensure renewal application is received and approved by November 30 each year to prevent your institution from losing October meal reimbursement for day care home providers and possibly future meal reimbursements.
65. Ensure Sponsoring Organization application agreement is submitted by the required due date or risk losing advance administrative payments.
66. Obtain written consent of the day care home provider before deducting for Program food stuffs. This may only occur if approved by the State Agency and an addendum to this Agreement is completed.

ASSURANCE OF CIVIL RIGHTS COMPLIANCE

Agree to comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Department of Agriculture's regulations concerning nondiscrimination (7CFR Parts 15, 15a, and 15b) including requirements for racial and ethnic participation data collection, public notification of the nondiscrimination policy, and reviews to assure compliance with such policy, hereinafter, collectively referred to as "civil rights requirements," to the effect that no person may, on the basis of race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity, be excluded, from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity for which the Program applicant received federal financial assistance from the State Agency; and hereby gives assurance that it will immediately take any measures necessary to effectuate this Agreement.

By accepting this assurance, the Sponsoring Organization agrees to compile data, maintain records, and submit reports as required, to permit effective enforcement of civil rights requirements and permit authorized USDA personnel during normal working hours to review such records books, and accounts as needed to ascertain compliance with civil rights requirements. If there are any violations of this assurance, the United States Department of Agriculture, Food and Nutrition Service shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Sponsor, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from the State Agency. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the Sponsor.

The State Agency and Sponsor mutually agree that:

1. The following forms and attachments shall be part of this Agreement (ISBE Form 68-61A), Application (ISBE Form 68-61), Management Plan and Required Management Plan attachments, Illinois Budget Workbook to include the Budget Summary, Budget and Expenditure Reporting (Schedules A-P), Policy Statement (ISBE Form 68-61D), and Site Information Sheet(s) (ISBE Form 68-49).
2. Day care home Site Information Sheets may be added or inactivated as the need arises. However, day care homes may not operate in the Program until the State Agency issues a written notice of approval.
3. No member or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.
4. This Agreement may be terminated for cause or convenience if both the State Agency and the Sponsor agree continuation of the Program would not produce beneficial results appropriate for further expenditure of funds. The effective date of termination shall be agreed upon by both parties and termination procedures shall be in accordance with 7 CFR Part 226.
5. When it is determined the Sponsor has failed to comply with the conditions of the Program, the State Agency may terminate the Sponsor's participation by written notice. When a program has been terminated for cause, any payments made to the Sponsor or any recoveries by the State Agency from the institution shall be in accordance with the legal rights and liabilities of the Parties.
6. This Agreement shall be effective with respect to meals served commencing on the Approval Date and ending the last day of September of the fiscal year to which it applies. The State Agency's agreement to reimburse the Sponsor is contingent upon the continued availability of funds appropriated for Child and Adult Care Food Program purposes in a sufficient amount, and no legal liability on the part of the State Agency for the payment of any money shall arise unless and until such appropriations have been provided.
7. The State Agency will produce a media release that will include the following statement: In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. This institution is an equal opportunity provider.

Under the provisions of the United States Department of Agriculture, Food and Nutrition Service, 7 CFR Part 226 Child and Adult Care Food Program, I certify, as an applicant Sponsor, the information submitted to the Illinois State Board of Education is true and correct.

I certify the Sponsor has not been disqualified from participation in any other publicly-funded program for violating that program's requirement.

I further certify that Program reimbursement will be claimed only for meals served to eligible children at approved food service sites and these sites have been visited and have the capacity and facilities for the meal service planned for the number of children anticipated to be served.

I understand this information is being given in connection with the receipt of federal funds and deliberate misrepresentation may subject me to prosecution under applicable state and federal criminal statutes.

_____ Name of Institution	_____ Agreement Number
_____ Signature and Title of Authorized Representative	_____ Date
_____ Signature of President of the Board	_____ Date
_____ Signature of Division Administrator, Nutrition and Wellness Programs	_____ Approval Date