

NUTRITION DEPARTMENT

Federal regulation 226.6(b)(1)(xviii) requires each new institution applying for participation in the Child and Adult Care Food Program (CACFP) to submit information sufficient to document that the institution is financially viable, administratively capable of operating the CACFP, and has internal controls in effect to ensure accountability. To document this, the new institution must demonstrate in its application it is capable of operating in conformance with the following performance standards. The State agency must only approve applications that meet these performance standards, and must deny the applications of those new institutions that do not meet the standards.

NAME OF SPONSORING ORGANIZATION _____

PHYSICAL ADDRESS OF SPONSORING ORGANIZATION (Street, City, State, Zip Code) _____

MAILING ADDRESS (If different from physical address) (Street, City, State, Zip Code) _____

Performance Standard 1—Financial Viability and Financial Management

A new institution must demonstrate it has adequate financial resources to operate the CACFP on a daily basis, has adequate sources of funds to withstand temporary interruptions in CACFP payments and/or fiscal claims against the institution, and can document financial viability through audits or financial statements.

Yes No N/A

1. **Submit your organization's most recent independent audit report.** If no audits have been performed, submit financial statements (Balance Sheet and Income Statement) prepared by an accountant. Comprehensive financial statements must show all expenditures and sources of income or other funding relevant to the proposed activity. **ATTACH REQUIRED DOCUMENTS.**
2. What date did your organization open for business? _____
3. Describe all programs the organization conducts other than the CACFP and the length of time the activities have been in operation.

4. Describe all revenue sources available to the organization besides CACFP reimbursement. Include details to the source, frequency, nature (tuition, subsidized child care benefits, Head Start funding, earned income, grants, and donations), function or purpose, length of time this revenue has been available, and amount of the revenue.

- ☐ ☐ ☐ 5. Do you expect the level, function, or nature of the funding to change in the coming fiscal year? If so, what impact will it have on the organization?

- ☐ ☐ ☐ 6. Will this revenue be available to operate the CACFP on a daily basis and, if necessary, withstand temporary interruptions in CACFP payments and/or fiscal claims against the institution?

Performance Standard 1—Financial Viability and Financial Management (Continued)

Yes No N/A

- ☐ 7. If you are a potential multi-site sponsoring organization, provide the geographic area covered. (**Complete only if you have multiple sites.**)
- ☐ 8. If you are a potential sponsoring organization of multiple sites, identify other sponsoring organizations in the area. Explain why your organization needs to provide services to these sites in an area when there are other sponsoring organizations already providing the CACFP in this geographic area.

Performance Standard 2—Administrative Capability

The new institution must be administratively capable. Appropriate and effective management practices must be in effect to ensure the CACFP operates in accordance with this standard.

- ☐ ☐ 9. Have you or any of your institution's principals (including managers, officers, and all members of the board of directors) administered a Child Nutrition Program in the last seven years?
- ☐ 10. List the name(s) of the institutions that you currently or previously administered that participated in a Child Nutrition Program within the last 7 years.
- ☐ ☐ 11. Have you or any of the institution's principals been declared seriously deficient in the last seven years?
- ☐ ☐ 12. Have you or any of the institution's principals been disqualified from any federal program in the last seven years?

Performance Standard 3—Program Accountability

New institutions must have internal controls and other management systems in effect to ensure fiscal accountability and to ensure the CACFP will operate in accordance with requirements.

- ☐ ☐ 13. What type of financial system do you use? **CHECK ONE ONLY**
☐ Manual Records ☐ Computer Program
- ☐ 14. How do you ensure the Generally Accepted Accounting Principles (GAAP) are followed? Responses should detail your organization's written internal control procedures, including who is responsible for gathering all required accounting documents within your organization, the frequency of collection, and how/where the compiled documents are maintained.
- ☐ ☐ 15. Do you hire a Certified Public Account (CPA) to assist with year-end financial preparation and tax reporting?
- ☐ ☐ 16. Are your procedures and internal controls documented in a procedures manual?
- ☐ ☐ ☐ 17. Does your procedures manual include fiscal integrity and accountability for all CACFP receipts, disbursements, expenses, and assets?
- ☐ ☐ 18. Do you have safeguards and controls to prevent and detect improper financial activities by employees?

Performance Standard 3—Program Accountability (Continued)

Governing Board of Directors – (Complete questions 19-25 only if public entity or federal tax-exempt not-for-profit organization)

For-profit Boards – For-profit sponsoring organizations are not required to have a board; the owner takes overall responsibility for the CACFP.

Developing an Appropriate Board of Directors – An acceptable Board consists of a majority of the members whose livelihood is independent from and who holds no personal fiscal interest in the institution's activities and who are not related to each other or to its personnel. Board members must recuse themselves from voting on decisions relating to their own compensation and that of immediate family members and financially related parties.

19. List the name and mailing address for each board member and officer. Identify and describe in detail the responsibilities and degree of involvement of the board of directors. **ATTACH DOCUMENTS.**
20. What is the length of a board member's term?
21. How are the board members selected and/or elected? Describe the criteria used when selecting board members.
22. What is the board's role in approving fiscal actions, policy decisions, and administrative issues such as salaries, large purchases, and personnel decisions?
23. Explain any relationships between board members and individuals involved in the operation of your organization's activities.
 - a. How do you ensure board members do not have a conflict of interest (i.e., not financially interested in these activities)?
 - b. Are board members independent to personnel in the organization or to each other? If no, please explain.
24. How do you ensure board members are recruited from other areas in the community?
25. Will board members oversee the CACFP and be made aware of activities and allowable spending of federal funds?

Checklist – a complete Viability, Capability, and Accountability Profile includes:

- ☐ Completed VCA Profile (ISBE 69-51)
- ☐ A copy of the organization's most recent audit or financial statements, to include an income statement and balance sheet, prepared by an accountant (As instructed in #1).
- ☐ Additional attachments, when applicable.

Return completed documents to:

Illinois State Board of Education
Nutrition Department
100 North First Street, W-270
Springfield, Illinois 62777-0001
800-545-7892
217-524-6124 (Fax)

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: <https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted 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; or
2. **fax:**
(833) 256-1665 or (202) 690-7442; or
3. **email:**
program.intake@usda.gov

This institution is an equal opportunity provider.