# 2014 and 2015 CACFP Findings

# Lessons learned

# Report on the Six Most Common Findings Areas Identified During the 2014 and 2015 Administrative and Site Reviews for Child Care Centers

 The following pages provide a report on the six most common categories of findings identified during the 2014 and 2015 administrative and site reviews. This information is being provided to assist you in identifying potential weaknesses in your program operations. You may need to strengthen your internal procedures to ensure: 1) compliance with program requirements, 2) these common errors are avoided, 3) CEs receive full reimbursement, and 4) healthy meals and snacks are provided for children.

Many of these findings can be prevented by:

* Using an additional staff member to verify records are complete and eligibility has been determined correctly.
* Obtaining updated eligibility and enrollment forms at the same time each year.
* Claiming a child as free or reduced-price only when
	+ the eligibility forms are complete
	+ and the information in the forms supports the free or reduced-price determination
* Using an additional staff member to verify
	+ Compliance with meal pattern requirements
	+ Quantity of each meal component is sufficient for the number of meals served

## FINDINGS

### Meal Count and Attendance Records

### 56% of the CEs reviewed claimed meals which were not supported by their daily meal count and attendance records.

Forms – H1535 Daily Meal Count and Attendance Record, H1535-AT Daily Meal Count and Attendance Record (At-Risk), and H4502 Claim for Reimbursement worksheet

Common examples

* Meal count and attendance numbers on the claim were higher, and in many cases lower, than the numbers on the CEs meal count and attendance records.
* Math errors were made when adding the number of meals.
* Mistakes were made transferring data from the form to the TX-UNPS claims screen.

These errors resulted in the CEs claiming either more than or fewer than the eligible number of participants.

Effects on the claim – TDA will disallow meals if a CE claims more meals than are supported by the documentation submitted. On the other hand, if an eligible participant is not claimed reimbursement cannot be received for that participant unless the error is discovered and an amended claim is submitted.

### Eligibility Determination

### 50% of the CEs reviewed placed participants in the wrong eligibility category (free, reduced-price, or paid).

### 27% of the CEs reviewed had incomplete Income Eligibility Forms on file for participants claimed in the free or reduced category.

### 20% of the CEs reviewed incorrectly reported Title XX information or the number of free/reduced price participants at the center.

Form – CACFP Meal Benefit Income Eligibility Form

Common examples

* The number of participants claimed in each eligibility category (free, reduced-price, paid) did not match the eligibility count validated by the TDA reviewer. In some cases the CE claimed ineligible participants, while in other cases the CE did not claim all eligible participants.
* Participants were placed in the incorrect category (i.e. free instead of reduced, reduced instead of paid)
* Participants were incorrectly categorized based on income.
* Eligibility forms were missing, incomplete, or outdated.
* Mistakes were made transferring information to the site claim report.
* The “Check if no income” box was unchecked and an income amount was not provided.
* The form was missing the TANF, SNAP, or FDPIR number; income; frequency of income; or the last four digits of the social security number of the adult signing the form.
* The number of children eligible for Title XX benefits at the child care center was not accurately reported.

Effect on the claim – TDA will establish an overpayment when the Meal Benefit and Income Eligibility Form is missing or incomplete, over 12 months old, or the eligibility category selected was incorrect (free instead of reduced or paid, or reduced-price instead of paid). Additionally, the CE will be required to claim the child in the paid category for all future claims until an updated and correct CACFP Meal Benefit Income Eligibility Form is received. These errors could also result in a for-profit child care center falling below the 25% Title XX free or reduced-price meals requirement making the CE ineligible to file a claim for that month.

### Enrollment Records

### 30% of the CEs reviewed did not report the correct enrollment count on the claim

### 30% of the CEs reviewed claimed meals for participants whose enrollment records were expired or did not contain all required information.

Forms – CE developed form, or Texas Department of Family and Protective Services (DFPS) Form 2935, Admission Information

Common Examples

* Enrollment forms were missing.
* Enrollment forms did not include all required information:
	+ - Child’s name
		- Child’s date of birth
		- Meals/snacks normally served to the child while in care
		- Days and hours the child is normally in care
		- Enrollment and withdrawal dates
		- Parent’s or guardian’s signature
		- Date of signature.
* The CE did not include all participants, or did not add “drop in” participants, or failed to withdraw participants or included students from other sites.
* The enrollment records were not completed by the parent(s).
* Math errors were made when totaling numbers.
* Enrollment forms were not updated annually
* Enrollment numbers on the claim did not match those validated by the reviewer
* The correct enrollment count was not reported in TX-UNPS
	+ The CE recorded enrollments/participants only to license capacity

### Effect on the claim – TDA will disallow meals and the claim will be reduced accordingly.

### Meal Production Records

### 28% of the CEs reviewed provided incorrect or incomplete meal production records.

### 19% of the CEs reviewed did not record the required meal components on the meal production records

### 22% of the CEs reviewed prepared insufficient quantities of food.

Forms – H1530 Daily Meal Production Record, H1535-A Daily Meal Production Record for Infants, H1530-B, Daily Meal Production for At Risk

Common examples

* Food item description was incomplete because the CE failed to record the following:
	+ Specific type of milk served (must use and record 1% or skim milk for children ages 2 and older)
	+ Whether the juice served was full strength
	+ Brand of infant formula served
	+ Type of cut (sliced, diced, etc.) for the fruit or vegetable served
* Quantity of the food item was missing or was incorrectly recorded. Quantities must be recorded in measurable units, such as grams, ounces, or pounds. TDA can’t accept information such as the number of slices of bread or the number of tortillas.
* The meat component was short by 2lbs (32 ounces) for the number of meals prepared.
* The fruit or vegetable component was short by 10.7 cups for the number of meals prepared.
	+ The meal production record did not include all required components for the meal type and documentation of quantities prepared.

Effect on the claim – TDA may disallow meals and may reduce the claim accordingly.

### Fiscal Responsibility – Allowable Expenses

### 21% of the CEs reviewed purchased items or claimed expenses which are not allowable.

Common examples

* The CE purchased or recorded unallowable expenses (non-food purchases) such as: gift cards, stamps, games, toys, hosiery, toilet paper, dog food, international phone calls.
* The CE claimed expenses which were not on the approved budget: additional salaries, salary exceeding the approved budget, building remodel, car/truck payments.
* The CE did not have receipts to support food expenses.
* The CE did not disclose less-than-arms-length transactions.
	+ The CE does not maintain adequate documentation of payment for food, non-food items, and all expenses
	+ CE's current financial management system is not utilized to track/monitor CACFP revenue and expenses separately
	+ The CE is purchasing food and nonfood items with cash payments received from tuition, co-payments or private pay and recording the expense in the CACFP account.

TDA could take the following actions

Require a return of funds to the food service account for unallowable expenses.

Disallow meals and reduce the claim accordingly when receipts or invoices are not provided to support the number of meals claimed.

Place the CE in serious deficiency.

### Meal Service Documentation and Observation (site specific findings)

### 18% of the sites reviewed did not complete the meal production records on a daily basis prior to the meal service.

**15% of the sites reviewed did not prepare a sufficient quantity of each meal component to meet the meal pattern requirements for the number of meals served.**

**14% of the sites reviewed did not serve all required meal components.**

**12% of the sites reviewed did not take a meal count at the point of service.**

Forms – H1530 - Daily meal Production Record Child Care, H1530-A – Daily meal Production Record Infants, H1654 - Daily Meal Production Record Adult Day Care

Common examples

* The site did not complete/document the meal production records on daily basis, and/or prior to the start of the meal service.
* The site served 2% milk to participants who were over 23 months of age.
* A meal analysis could not be determined because the child nutrition label was not available for the processed meatloaf served.
* The site prepared 77.5 ounces of goldfish crackers for 125 participants instead of the required 87.5 ounces. As a result, the quantity of the bread/grain component did not meet the minimum serving requirement.
* 43 ounces of boneless chicken breast was needed and only 34 ounces was prepared. As a result the quantity of the meat component did not meet the minimum serving requirement.
* Meal count records were missing for the days meals were served.
* Required information was not entered into minute menu.
* Breakfast participants did not receive either the juice or milk component.
* Juice was not served with breakfast even though juice was listed as the fruit/vegetable component on the meal production records.
	+ The meal count is not taken at "Point of Service"
	+ The providers meal counts are not current and up to date
	+ Participants received only one of the two required components

Effect on the claim – TDA may disallow meals and may reduce the claim accordingly.