

CACFP Administrative Review Findings Lessons Learned

Avoiding the Pitfalls!

The Texas Department of Agriculture (TDA) provides this information to assist you, as a Contracting Entity (CE), in identifying potential problems. Avoiding these pitfalls will help you comply with program requirements and receive full reimbursement for eligible expenses. Most of all, preventing these common findings will help you and TDA achieve the goal of ensuring that healthy meals and snacks are provided for children.



Preventing Common Administrative Review Findings

- Schedule time to maintain the paperwork.
- Develop a system to keep all the required documents and forms organized.
- Use an additional staff member to verify:
 - Records are complete and eligibility has been determined correctly.
 - Count and record the number of meals served.
 - Compliance with meal pattern requirement.
- Establish an adequate financial management system.
- Keep program funds separate from other funds to make it easier to purchase only allowable items.



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Food and Nutrition Division
Child and Adult Care Food Program

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Enrollment

For Profit Organization & Private Non-Profit

- CEs did not report an accurate enrollment count on the claim for reimbursement for the test month.
- CEs did not have all claimed participants properly enrolled.

Examples

- Enrollment forms were missing or did not include all required information such as:
 - Child's name/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
- Enrollment forms were not updated annually.
- Enrollment forms were pre-populated.
- The correct enrollment count was not reported on the claim for reimbursement.
- CEs recorded enrollments based on licensed capacity.
- CEs did not include drop-ins in the enrollment count.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Ensure enrollment forms are completed upon enrollment and annually thereafter.
- Make a sample enrollment form and highlight the key areas that are frequently missed.
- Keep a daily log of participants. Make sure the master list is updated frequently.
- Ask another staff member to double-check enrollment/eligibility forms and claims.
- Contact the regional ESC if you are not sure of how the enrollment process works. They provide training and technical assistance.

Eligibility

For Profit Organization & Private Non-Profit

- CEs did not have Income Eligibility Forms that were current, completed accurately or categorized correctly.
- CEs did not report an accurate eligibility count by category (free, reduced-price, or paid) on the claim.

Examples

- Income Eligibility Forms (IEF) were missing or did not include all required information such as:
 - All household income
 - Parent's or guardian's signature/date of signature
 - TANF, SNAP, or FDPIR EDG number
 - IEF was expired
- Participants were placed in the incorrect category (free instead of reduced, reduced instead of paid).
- CEs reported the licensed capacity as the number of free participants.
- CEs did not meet the required For-Profit requirement of 25% or greater of its enrollment determined eligible for free and reduced priced meals.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.
- Require the CE to claim the child in the paid category for all future claims until an updated and corrected CACFP Meal Benefit Income Eligibility Form is received.
- These errors could also result in a for-profit childcare center falling below the 25% Title XX free or reduced-price meals requirement making the CE ineligible to file a claim for that month.

Suggested Steps to Take

- Ensure Income Eligibility Forms are completed upon enrollment and annually thereafter.
- Make a sample enrollment form and highlight the key areas that are frequently missed. Use it as your reminder of where to double-check when you receive new forms.
- Ask another staff member to double-check enrollment/eligibility forms and claims.

Meal Counting and Claiming

For Profit Organization & Private Non-Profit

- CEs did not report an accurate meal count on the claim for reimbursement.
- CEs did not have a daily meal count and attendance form that was completed accurately and on a daily basis.

Educational Institutions

- CEs did not report an accurate meal count on the claim for reimbursement.
- CEs using an ALTERNATE daily meal count and attendance form did not have a form that captured all required information.

Examples

- Meal count and attendance forms were missing or did not include all required information including:
 - Delivery date & time
 - Participant's name & age
 - Total first meals/total meals served
 - Signature
- Original tally sheets were replaced with new sheets because the staff thought the original sheets were too messy or dirty or errors corrected with whiteout and no initial/dates for the correction.
- Meal counts/attendance on the claim in TX-UNPS do not correspond to the daily meal count forms.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Always take the meal count at the point of service when the meal is served.
- Check your math! Use a calculator.
- Assign another staff member to be a second set of eyes to check records for accuracy.
- Establish a specific place to keep all forms when they are completed (digital or physical copies). Set a reminder on your phone to update the count records daily.
- Double check the meal counts submitted in TX-UNPS are accurate.
- Know the maximum number of participants that you are allowed to serve.

Meal Production/Food Service

For Profit Organization & Private Non-Profit

- CEs did not have records to support that there were sufficient quantities of milk and food purchased and/or acquired.
- CEs did not have meal production records that demonstrate compliance with meal pattern requirements.
- CEs using an ALTERNATE production record did not have a form that captured all required information.
- CEs' meal analysis did not indicate correct quantities of food were prepared for each age group.

Examples

- Meal Production Records were missing or did not include all required information including:
 - Date & meal type
 - Leftover/Recycled/Substitutions
 - Food items used/Quantity used (as purchased)
 - Infant meals
- Meal pattern requirements were not met
- CEs did not complete meal production records accurately on a daily basis.
- CEs did not have sufficient records of Child Nutrition (CN) labels or milk acquisition (purchases/donations) to support the number of meals claimed.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Ensure forms are current and/or alternate forms contain all required elements.
- Review meal production records daily and have a 2nd staff member recheck for completeness and accuracy with documentation and meal pattern requirements.
- Work with the regional ESC to ensure that menus meet the meal pattern requirements.

Resource Management

For Profit Organization & Private Non-Profit

- CEs did not ensure the CE staff and sites' staff performing CACFP duties are not listed on the National Disqualified List or TEXSL.
- CEs did not request needed amendments to reflect changes to program operations or location.

Educational Institutions

CEs did not ensure the CE staff and sites' staff performing CACFP duties are not listed on the National Disqualified List or TEXSL.

Examples

- CEs did not request amendments to their Management Plan for the following:
 - Sites had closed
 - Updating the budget with staff name changes
 - License dates
- CEs did not demonstrate program accountability to ensure meal service/meal pattern requirements.
- CEs did not follow the approved Management Plan for program funds ensuring program dollars are spent for meals/snack that met program requirements.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Ensure National Disqualified Lists are checked prior to hiring and at least annually thereafter.
- Develop and implement step-by-step processes/procedures to ensure Program Accountability.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

Civil Rights

For Profit Organization & Private Non-Profit

CEs did not maintain documentation or the source of the documentation of the number of potential beneficiaries by racial/ethnic categories and currently enrolled beneficiaries by racial/ethnic categories and eligibility category.

Examples

- CEs did not establish a methodology for the required collection and submittal of beneficiary data by racial/ethnic category for currently enrolled and potential beneficiaries.
- CEs had no formal procedures in place to file a complaint.

Effects on the CE

TDA could take the following actions:

- Require Corrective Action for noncompliance.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Regularly check for updates/changes to civil rights guidance to ensure their procedures are consistent with TDA and USDA guidance.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.
- Review all written materials annually to ensure they contain the nondiscrimination statement.
- Ensure equal access and equally effective communication for persons with disabilities and persons with Limited English Proficiency.

Monitoring and Training

For Profit Organization & Private Non-Profit & Educational Institutions

- CEs did not ensure all training (covering required areas and subtopics) was provided to the CE's new staff, current staff, and site staff prior to beginning CACFP duties.
- CEs did not have REVIEW FORMS that were accurate and complete.
- CEs did not maintain required documentation of training.
- CEs did not follow monitoring requirements.

Examples

- Monitoring review forms were missing or did not include all required information such as:
 - Date of review/date of last review
 - Type of review
 - 5-day reconciliation
 - Time of arrival & departure
 - Meals delivered/meals served
 - Signature & date
- CEs allowed more than 6 months to pass between monitoring visits.
- CEs performed their unannounced reviews at the same time each year.
- CEs only monitored breakfast and did not review other meal service types.
- CEs' site claims were not consistent with what was observed during the review.

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Work with your regional ESC to ensure that you understand all the requirements for monitoring sites.
- Schedule all site visits prior to CACFP operations and monitor that all visits are conducted and documented.
- Ensure staff training for CACFP program is conducted at least once annually (before operations) and maintain documentation that includes date, name of attendees, and documentation of topics covered.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

Reporting and Recordkeeping

For Profit Organization & Private Non-Profit

CEs did not retain required records for three (3) years.

Examples

- Program records were missing, not retained for the required 3 years, or did not include all required information such as:
 - Enrollment forms
 - Bank statements
 - Timesheets and Payroll documents
 - Staff training records
 - Legible receipts/invoices
 - Delivery receipts

Effects on the CE

TDA could take the following actions:

- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Develop and implement step-by-step processes/procedures to ensure program recordkeeping requirements are met.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.

Administrative Financial Review

For Profit Organization & Private Non-Profit

- CEs did not use a financial management system that captures all financial activities conducted in the non-profit food service program.
- CEs did not have a financial management system that included budgeting.
- CEs did not have written procurement procedures that are compliant with CACFP regulations.

Educational Institutions

CEs did not use a financial management system that captures all financial activities conducted in the non-profit food service program.

Examples

- CEs did not track financial activity separately from other child nutrition programs.
- CEs did not maintain documentation to detail the history of all procurement.
- CEs' procurement procedures did not include:
 - Each procurement method
 - Financial thresholds
 - Conflicts of Interest policy
 - Written code of standards of conduct
- CEs did not provide adequate procurement documentation, bank statements, general ledgers with revenues/expenses, and receipts.
- CEs did not compare actual program expenditures against budgeted amounts on a periodic basis and does not operate within current budget line items.

Effects on the CE

TDA could take the following actions:

- Require a return of funds to the non-profit food service account for unallowable expenses.
- Disallow meals and reduce the claim accordingly.
- Place the CE in serious deficiency.

Suggested Steps to Take

- Ensure the procurement procedures include all required elements and are easily accessible.
- Set up and use a financial management system including budgeting. If you aren't sure how to do it, there are many resources to help small businesses.
- Develop a system to keep all the required documents and forms organized. Schedule time to maintain the paperwork.
- Keep program funds separate from other funds to make it easier to purchase only allowable items.