POLICY ALERT

Date: August 19, 2005  Reference: # CACFP CCC 2005-14
To: Child and Adult Care Food Program-Child Care Centers (CACFP-CCC) Contractors
Subject: Child and Adult Care Food Program (CACFP) Application Process for Potential and Participating Contractors
Effective Date: Program Year (PY) 2006

Purpose

This Policy Alert is to inform potential and participating contractors that the application process has changed. This change has affected the renewal cycle and the information required for new applications, renewal applications, and annual updates.

Background

Texas Health and Human Services Commission (HHSC) has made revisions to the application process that:

- requires additional information documenting viability, capability, and accountability;
- eliminates nonessential application items; and
- changes the application cycle.

To learn more about application changes and other CACFP changes, review the 2nd Interim Rule. The Special Nutrition Programs web page provides a link to the 2nd Interim Rule: go to www.snptexas.org and under “Nutrition Links” click the link to FNS website and go to the CACFP home page.

Implementation

PY 2006 and forward.

Program Changes

1. Application Cycle

This replaces Section 2229 in the CCC Handbook:

Renewal applications are now required on a triennial basis (every three years). This means that contractors are approved to participate in the CACFP for three years. Annual applications are replaced by Annual Program Year Updates. Annual updates eliminate much of the previous annual renewal information and now require only a minimum amount of information, such as the budget and an amendment, if necessary, to update the management plan. The annual updates are not a reapplication, only an update to your Program file. The elimination of submitting numerous items between renewals should provide you with more staff time to devote to other Program activities.

continued
The following table illustrates for new and renewing contractors approved in PY 2006 the cycle that will be followed through PY 2009.

<table>
<thead>
<tr>
<th>Type</th>
<th>PY 2006</th>
<th>PY 2007</th>
<th>PY 2008</th>
<th>PY 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child Care Centers</td>
<td>New Application or Renewal</td>
<td>Year One Annual Program Update</td>
<td>Year Two Annual Program Update</td>
<td>Renewal</td>
</tr>
</tbody>
</table>

2. Application Changes

Only information that is required by Program regulations and HHSC requirements for collection in new applications, renewal applications and annual updates is now included in the packets. **NOTE:** If an item was deleted from the application, this does not mean you no longer have the responsibility to fulfill the requirement. You will be notified in a Policy Alert of Program changes. Listed below are regulation changes that affect sections of the CCC-Handbook and Policy Alerts.

a) Potential and participating contractors with non-pricing food service programs, must submit one time only Form H4505, Free and Reduced-Price Policy Statement. This is a permanent form in your Program file. This revises Section 4314 of the CCC Handbook.

b) Potential and participating contractors are no longer required to send a public release to the media. HHSC has assumed that responsibility and issues a public release statewide on behalf of all contractors. This replaces Section 4315 of the CCC Handbook.

c) The agreement signed between a contracting organization and Child Care facility is now a permanent agreement. It will be submitted only once as part of new applications, renewal applications and update packets and moved forward year-to-year until that facility has terminated with the sponsoring organization. Sponsoring organizations will use the new Form, H1630 Permanent Agreement Between Contracting Organization and Child Care Facility. A sponsoring organization may terminate the permanent agreement for cause, convenience or mutual consent. The facility may terminate the agreement without cause or mutual consent. This revises Section 4320 of the CCC Handbook.

d) New For-Profit Child Care Centers will include Form H1521 Eligibility of For-Profit Child Care Centers in the application packet. Renewing For-Profit Child Care Centers are no longer required to submit Form H4528 Title XX Certification. This revises Section 4320 of the CCC Handbook.
Program Changes continued

e) Potential contractors and participating contractors may not submit alternate forms for approval with new applications, renewal applications or annual update packets. Submit the request for approval for an alternate form after you have received Program approval or notification that your annual update information is complete. This revises PAL CCC 2005-8.

Renewal Application Approval

The renewal process is not an automatic guarantee that you will be approved to continue participation in the program. Only participating contractors who meet all the criteria will be renewed. A participating contractor denied renewal in the Program will have appeal rights to challenge the denial.

Authority

Child and Adult Care Food Program: Improving Management and Program 2nd Integrity Rules.

Contact

If you have any questions please contact your Area Program Office.