POLICY ALERT

Date: April 28, 2006          Reference: # CACFP CCC 2006-11
To: Child and Adult Care Food Program-Child Care Centers (CACFP-CCC) Contractors
Subject: Documenting Reasons for Block Claims
Effective Date: Immediately

APPLIES TO SPONSORING ORGANIZATIONS ONLY

Purpose
This Policy Alert supplements Policy Alert CACFP-CCC 2005-17. This Policy Alert provides additional guidance on the requirements pertaining to conducting unannounced monitoring reviews of facilities as a result of a “block” claim.

Implementation
Immediately

Procedure
Sponsoring Organizations can evaluate and document the reason for a block claim prior to the submission of the claim. The reasons for a block claim identified prior to submission of the claim must also be specific to the facility and must be well documented. This will enable sponsoring organizations to provide effective oversight of Program integrity, while promoting efficient use of the sponsor’s resources.

Beginning with monitoring reviews conducted on or after October 1, 2005:

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<th>If …</th>
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<td>The sponsor is conducting an unannounced monitoring review of a facility and observes a block claim in the facility’s meal/menu records and the sponsor is able to determine and document that a valid reason exists for the block claim.</td>
<td>The sponsor will be exempt from conducting the follow up monitoring review normally required within 60 days of detecting the block claim, for the remainder of the current program year.</td>
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This guidance only applies to those situations where the sponsoring organization determines the cause of a block claim during an unannounced monitoring review conducted prior to the facility’s first submission of a block claim during their current monitoring review cycle.

If a sponsor receives a meal count/claim from a facility that includes a block claim, the cause of which has NOT been determined prior to its submission, the sponsor must conduct an unannounced monitoring review of the facility within 60 days of identifying the block claim.

continued

This Policy Remains in Effect Until Further Notice
Valid Reasons for Block Claims

Valid reasons for a block claim may include, but are not limited to:

- The facility provides drop-in care so that it is always filled to licensed capacity on each day it is opened.
- It is the facility’s policy to accept children even when they are ill.

Adverse Action

Failure to properly monitor program operations is a serious deficiency. See Policy Alert CACFP-CCC 2003-09, Serious Deficiency Process for Participating Contractors, for more information.

Authority

United States Department of Agriculture (USDA) Correspondence 2005-CACFP-04 and USDA CACFP Policy #03-05

Contact

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