This Policy Alert implements recent legislative changes to the CACFP.

The United States Department of Agriculture (USDA) recently implemented legislative reforms to strengthen integrity in the CACFP. The requirements in this Policy Alert are mandated by the Agricultural Risk Protection Act of 2000 and the Grain Standards and Warehouse Improvement Act of 2000.

Effective October 1, 2002, you must amend all of your provider agreements, Form 1542, to add specific notification requirements. This amendment to Form 1542 notifies all day care home providers that they are subject to announced and unannounced reviews by the sponsoring organization, the Texas Department of Human Services, the United States Department of Agriculture, or other State or Federal officials. In addition, the amendment to Form 1542 states that sponsors will make announced and unannounced reviews only during the provider’s normal hours of child care operations, and that sponsoring organization staff conducting announced and unannounced reviews will have photo identification which demonstrates that they are employees of the sponsoring organization. Furthermore, any State or Federal official that wishes to enter the provider’s home will carry photo identification that identifies them by name and agency.

We have attached the Amendment to Form 1542 that must be completed, and submitted to your Area Program Office for approval, for every provider who will participate with your organization for Program Year (PY) 2003 forward. You may also download an electronic copy of the amendment by accessing this policy alert on the SNP website (www.dhs.state.tx.us/program/snp). This amendment form contains the same agreement ending date, September 30, 2004, as your current Form 1542. For all providers who will be participating with your organization for October 1, 2002, through September 30, 2004, you will enter October 1, 2002, as the effective date in the “From” space. For any new providers added beginning October 1, 2002, the effective date in the “From” space on the amendment form must match the effective date in the “From” space on Form 1542.

Continuing Providers:

You must submit the following items for providers who currently have approved CACFP applications and agreements (Form 1537 and Form 1542) with your organization and will continue to participate under your sponsorship for PY 2003:

- an alphabetical list of all of the providers that includes the provider’s name, address, and license/registration number,
- a copy of each provider’s current non-expiring valid license/registration, and
- a complete and correct Amendment to Form 1542.

This Policy Remains in Effect Until Further Notice
If SNP does not receive a copy of a provider’s valid license/registration and a complete and correct Amendment to Form 1542 by October 25, 2002, your agreement with the provider will remain in effect, but the provider will be unable to claim reimbursement after the month of September 2002. The provider can begin claiming reimbursement for the month in which SNP receives a copy of the provider’s current valid license/registration and Amendment to Form 1542 by the 25th of that month.

New Providers Who Are Added Beginning October 1, 2002:

When enrolling a facility that is new to your sponsorship as of October 1, 2002 forward, you must submit the following items for approval:

- a complete and correct Form 1537, Day Care Home Application;
- a complete and correct Form 1542, Agreement Between Sponsor and Day Care Home Provider;
- a complete and correct Amendment to Form 1542;
- a complete and correct Form 1658, Documentation of Provider’s Tier Determination, if the provider qualifies as Tier I; and
- a copy of the provider’s non-expiring license/registration.

All Providers

Follow all other requirements as outlined in CACFP DCH Handbook Section 4320, Enrolling and Deleting Facilities.

Note: If you have already submitted and received approval for some providers who will be participating in PY2003, you must submit the Amendment to Form 1542 for these providers no later than October 25, 2002.

Photo Identification:

Effective October 1, 2002, any member of your sponsoring organization who enters a provider’s home must carry photo identification that includes the name of the individual and the name of your sponsoring organization. A Texas Driver’s License or Texas ID card is not sufficient to meet this requirement because it does not identify the individual as an employee of your sponsoring organization.

If you have any questions regarding this Policy Alert, Please contract your Area Program Office.

ATTACHMENT