

**Child and Adult Care Food Program  
Family Day Care Home Sponsor  
PROVIDER/SPONSOR PERMANENT AGREEMENT**

This Agreement is entered into on \_\_\_\_\_ between \_\_\_\_\_  
Date Sponsoring Organization

of \_\_\_\_\_ and \_\_\_\_\_  
Sponsoring Organization's Address Provider's Registration/License/Certification/ID Number

\_\_\_\_\_ of \_\_\_\_\_  
Provider's Name Provider's Address

**The Sponsoring Organization will:**

1. Represent the day care home provider for the purpose of participation in the Child and Adult Care Food Program (CACFP), including the preparation and processing of reimbursement forms for the Michigan Department of Education (MDE).
2. Train the provider on CACFP requirements including meal patterns, meal attendance, record keeping, and claim submission prior to the day care home provider's participation and at least annually thereafter.
3. Provide all required program administrative services without a cost to the provider.
4. Evaluate menus, meal attendance and other required records to determine allowable reimbursement.
5. Determine which day care homes under its sponsorship are eligible as Tier I homes. The sponsoring organization, MDE or United States Department of Agriculture (USDA) Food and Nutrition Service may change the determination if information becomes available indicating that a home is no longer Tier I eligible.
6. Verify a provider's household income prior to determining Tier I home eligibility based on the provider's household income.
7. Submit the name, address, and food stamp number to MDE of all providers receiving Tier I benefits on the basis of their participation in the Food Assistance Program (FAP). MDE will forward this information to the state agency responsible for the administration of the FAP.
8. Distribute income eligibility statements (IES) to determine the eligibility for day care home providers who wish to claim their own eligible children on the CACFP.
9. Inform Tier II day care home providers of all their options for receiving reimbursement for meals/snacks served to enrolled children.
10. Upon request of a Tier II day care home provider, distribute IES to households of all children enrolled in the home, or the provider may elect to distribute such statement only to households identified as being categorically eligible for Tier I reimbursement. Collect the IES and determine the eligibility of enrolled children for Tier I reimbursement.

11. Annually inform Tier II day care home providers that the provider may ask for a reclassification to be considered when new census data becomes available each year and that reclassification may be made at any time for Tier II homes. Completes new classifications upon request of Tier II day care home providers.
12. Not make free and reduced-price eligibility information concerning individual households available to day care home providers and shall otherwise limit the use of such information to persons directly connected with the administration and enforcement of the CACFP.
13. For Tier I day care homes, reimburse the provider the full food service rate for each allowable meal served to enrolled children in attendance for which the sponsoring organization has received funds from MDE. The sponsor may withhold any amount the sponsor has reason to believe is invalid due to a false or erroneous meal count.
14. For Tier II day care homes, reimburse the provider the full food service rate for each allowable meal served to enrolled children in attendance by category (Tier I and Tier II) for which the sponsoring organization has received funds from the MDE. The sponsor may withhold any amount the sponsor has reason to believe is invalid due to a false or erroneous meal count.
15. Review each home a minimum of three times per year. At least two reviews will be unannounced and at least one of the unannounced reviews will include a meal/snack observation. If, during a home review, the provider is out of compliance with the Agreement, the next review will be unannounced.
16. Conduct unannounced reviews as deemed necessary.
17. Show photo identification that demonstrates they are employees of the sponsoring organization during home reviews.
18. Contact parents/guardians of enrolled children to verify attendance as deemed necessary or as required by MDE.
19. Offer the provider an opportunity to request an appeal of the sponsor's intent to terminate this Agreement for cause or suspend this Agreement due to health and safety concerns.
- 20.. Provide a copy of the seriously deficient procedures and a list of serious deficiencies to the provider.
21. Propose to terminate this Agreement for cause if the provider fails to fully and permanently correct a serious deficiency.
22. Terminate day care home provider when notified provider has voluntarily closed or closed for other reasons. Disallow meals/snacks served after the provider was closed.
23. Provide a copy of the appeal procedures:
  - each year
  - with the notice of intent to terminate or suspend this Agreement for cause

24 Terminate any provider who claims and accepts payments from more than one sponsor in the same month as false claims. Each sponsor will:

- Disallow meals and snack served
- Require provider to reimburse both sponsors for meals served
- Propose to terminate provider from participating in CACFP

### **The Child Care Provider Will:**

1. Comply with Child and Adult Care Food Program (CACFP) and Child Development and Care (CDC) and the Child Care Licensing Division of the Department of Licensing and Regulatory Affairs (LARA) rules, regulations, and requirements.
2. Enter into an Agreement with only one sponsoring organization of CACFP.
  - Any provider who claims and accepts payments from more than one sponsor in the same month has submitted false claims. Such provider shall:
    - Repay reimbursement to both sponsors
    - Be terminated from participation in the CACFP
    - Be prohibited from participating in the CACFP for seven years
    - Be listed on the National Disqualification List
3. Participate in the sponsor training on CACFP requirements including meal patterns, meal attendance, record keeping and claim submission prior to the provider's participation and at least annually thereafter.
4. Submit household income documentation or confirmation of Food Assistance Program (FAP), Family Independence Program (FIP), or Food Distribution Program on Indian Reservations (FDPIR) participation to the sponsoring organization, when applying for Tier I eligibility based on the provider's household income.
5. When classified as a Tier II home, have the option of requesting the sponsoring organization to collect IES to determine the eligibility of enrolled children for Tier I reimbursement.
6. Notify the sponsoring organization the status of the provider's Child Day Care Certificate of Registration/License, relative care enrollment, or military certification and any other correspondence related to its status. This includes, but is not limited to, a change of capacity, address, license/registration number, etc. Continued participation in CACFP is contingent upon the receipt of this information by the sponsoring organization.
7. Promptly inform the sponsoring organization of any changes related to the childcare home including children enrolled in care, changes in mealtimes, shifts, days of operation, phone number, etc.
8. Allow the sponsoring organization, MDE, and other state and federal officials the right to review the provider's home to observe meal service and review records during the hours of childcare operation. These reviews will be announced or unannounced. At least two reviews will be unannounced and at least one of the unannounced reviews will include a meal/snack observation. If, during a home review, the provider is out of

compliance with this Agreement, the next review will be unannounced. The sponsoring organization may utilize either face to face or virtual/remote monitoring to maintain integrity and compliance within the CACFP.

9. Notify the sponsoring organization, in advance, when the day care home provider will be closed, or the provider will be out of the home during the meal/snack service period. If an unannounced review is attempted during a meal/snack service period and the provider failed to notify the sponsor in advance of the absence or closure, claims for meals/snacks that would have been served during the unannounced review will be disallowed.
10. Annually collect from the parent information on each child's normal days and hours in care, meals normally received while in care and the signature of the parent or guardian.
11. Provide meals/snacks at no separate charge to all children enrolled in the day care home and not require the parent/guardian to provide any part of the meal service.
12. Provide, prepare, and serve meals/snacks which meet the USDA CACFP meal patterns (7 CFR 226.20).
13. Maintain all required records including daily attendance, enrollment, meal counts, and menus in the provider's home for three years plus the current fiscal year to fulfill the CACFP requirements. The provider will have on hand, for immediate review, all records that support the CACFP activities for the current month as well as the previous twelve months. The remaining records must be in control of the provider and accessible within a reasonable amount of time.
14. Present the records of Provider/Sponsor Agreement, Home Application, daily attendance, enrollment, meal counts, and menus for the current and previous twelve months to the representative from the sponsoring organization, MDE, or USDA for review, upon arrival, even if the provider is absent.
15. Provide access to paperless documentation to sponsoring organization, MDE or USDA officials.
16. Inform assistant/substitute caregiver(s) of the location of these records and require them to submit these records, upon arrival, to the representative from the sponsoring organization, MDE or USDA for review.
17. Record meal attendance and the menu of each meal/snack served no later than the end of the day in order to be reimbursed. *Exception:* providers who care for more than 12 children in a single day or providers found to be seriously deficient due to problems with their meal counts or claims must record meal attendance at the time the meal/snack is served and menus no later than the time the meal/snack is served in order to be reimbursed.
18. Only claim the meal types specified in the CACFP Home Application and approved by MDE.
19. Submit required documentation to the sponsor to claim shifts. A provider may be approved to claim no more than double his/her capacity per meal/snack, without exceeding his/her licensed/enrolled capacity, at any given time. Capacity in the CACFP includes provider's own children age 12 and under.

20. Only claim meals served to enrolled day care children who are 12 years or younger, migrant children 15 years or younger, and older persons with disabilities.
21. Only claim meals served to children who are enrolled and in attendance and not meals served to children in excess of State of Michigan, child day care approved capacity/ratio.
22. Only claim meals consumed by provider's own children if: 1) they are 12 years or younger; 2) they are income or categorically eligible for FAP, FIP, or FDPIR; and 3) enrolled day care child(ren) are present and claimed at the meal service time.
23. Claim no more than two meals and one snack or two snacks and one meal per child, per day.
24. Only be reimbursed for meals that are served at the day care site or temporary site for meals, such as a picnic or field trip. Brown bag school lunches or any meal given to a day care child to take away from the day care site cannot be claimed.
25. Send all required completed forms/documents to the sponsor by the \_\_\_\_\_ of the following month. If the \_\_\_\_\_ falls on a weekend or a holiday, they are due the *preceding/following* workday. Regularly scheduled payments may not be made for worksheets and forms received after that date.
26. Submit written parent/guardian documentation with the corresponding worksheet in order to claim meals/snacks served on any of the following holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas.
27. Ensure that the provider's home is open to all children without regard to race, color, national origin, age, sex, disability, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.).
28. Not have been convicted of any activity that occurred during the past seven years that indicated a lack of business integrity. A lack of business integrity includes fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice or any other activity indicating a lack of business integrity, or the concealment of such a conviction.
29. Offer parents of infants at least one type of iron-fortified infant formula. Collect from the parents a signed statement when the parents choose to bring their own iron-fortified infant formula, breast milk, and/or infant food.
30. Distribute to all parents of enrolled children a notice informing them that the day care home participates in the CACFP, the benefits of the CACFP, the name and telephone number of the sponsoring organization, and the name and telephone number of the state agency (MDE), 517-241-5353.
31. Not be on any state agency or national CACFP disqualified list and has not been terminated from any federally funded program (CACFP, SFSP, etc.).

32. Follow the policy that restricts the transfer of day care home providers between sponsoring organizations during a fiscal year.
- Day care home providers can change sponsor organizations at the end of the fiscal year (October 1 – September 30).
  - The provider must notify their sponsor in writing that they wish to transfer to another organization.
  - This notification must be completed no later than September 5, each fiscal year.
  - A provider with one or more serious deficiencies may not transfer to another sponsor until the deficiency has been fully and permanently corrected to the satisfaction of the current sponsor.
33. Promptly notify the sponsoring organization when voluntarily closed or has closed for other reasons. Claims for meals/snacks served after the provider closed will be disallowed.

**Termination of Agreement**

Failure to comply with any of the terms of this Agreement may result in loss of reimbursement to the provider, which could include suspension and/or termination of the Agreement and disqualification of future CACFP participation.

This Agreement may be terminated by either party for cause or convenience. The provider and sponsor agree this is a permanent and binding Agreement and can be terminated by either party with written notice.

Sponsor may agree to terminate this agreement upon a provider’s notification to the State of Michigan’s Licensing Agency that the provider is voluntarily closing or closing for other reasons not related to program deficiencies and has no pending action with the Child Care Licensing Division.

The CACFP Agreement will only be terminated for voluntary closure or closure for reasons not related to program deficiencies if the institution is in good standing with CACFP and has no pending actions, such as but not limited to serious deficiency, corrective action, suspension, proposal to terminate/proposal to disqualify, and does not owe any outstanding debt to the Sponsor, MDE, or the United States Department of Agriculture’s Food and Nutrition Service.

No additional notification will be sent to provider that are terminated due to the voluntary closure or closure due to other reasons not related to program deficiencies.

**Certification**

We certify we will comply with the rights and responsibilities outlined in this Agreement. The provider certifies he/she is not participating in the CACFP under any other sponsoring organization. The provider understands this Agreement is for the receipt of federal funds and deliberate misrepresentation may subject him/her to prosecution under applicable state and federal criminal statutes.

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Signature of Authorized Representative of Sponsoring Organization

Date Signed

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Signature of Provider

Date Signed

This Agreement is in compliance with the United States Department of Agriculture, Child and Adult Care Food Program regulations 7CFR 226. The terms and conditions of this Agreement may be modified pursuant to Federal Legislation and/or regulatory changes.

AUTHORITY: PL 108-265, PL 106—224, PL 104-193, PL 97-35, PL 95-627, PL 89-642

COMPLETION: Required. Failure to file will result in withholding of funds.

### **Civil Rights Information**

Provision of this information is voluntary, is not part of the Agreement, and has no effect on the determination of eligibility to receive benefits. This information will be used to determine whether the sponsoring organization is complying with applicable provisions of civil rights laws.

#### **Ethnicity: Select one**

- Hispanic or Latino  Not Hispanic or Latino

#### **Race: Select one or more**

- American Indian or Alaskan Native  Native Hawaiian or Other Pacific Islander  
 Asian  White  
 Black or African American

### **Non-discrimination Statement**

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotope, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877- 8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: USDA Program Discrimination Complaint Form, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. **mail:** U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; or
2. **fax:** (833) 256-1665 or (202) 690-7442; or
3. **email:** program.intake@usda.gov

This institution is an equal opportunity provider.

USDA Civil Rights Complaint Link:

<https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf>

Updated 3/4/2025