

SAMPLE AGREEMENT

(alter to suit your institution's needs)

INSERT NAME

ADDRESS

PHONE NUMBER

SPONSOR AGREEMENT #

SPONSOR OF UNAFFILIATED CENTERS PERMANENT AGREEMENT FOR THE CHILD AND ADULT CARE FOOD PROGRAM

This Contract is entered into between _____(Sponsor)

and _____ (Center).

The Sponsoring Organization will:

- Annually train the Center's key staff on the rules and regulations of the Child and Adult Care Food Program (CACFP) and all record keeping procedures, such as administrative costs, direct labor costs, non-food or indirect costs, and Civil Rights.
- Train the Center key staff on all menu/ meal patterns, attendance record keeping procedures to ensure the maximum claim reimbursement.
- Prepare all monthly claims for reimbursement to the state agency. Funds will be disbursed to centers within 5 days of receipt of program funds.
- Ensure that all centers are eligible to participate in the CACFP and that centers are informed of all CACFP requirements.
- Develop policies concerning licensing issues, training, program integrity, etc. that are implemented consistently.
- Train centers and key staff before they begin participating in the CACFP. Once a center begins to claim meals, another visit will be conducted within the first four weeks (28 days) of program participation.
- Respond to the center's request for technical assistance.
- Provide CACFP recordkeeping forms to the center.
- Be responsible for all reviews of the center and all communication regarding the Center's participation in the CACFP.
- Review each center a minimum of three times per year. At least two reviews will be unannounced and at least one unannounced review will include a meal/snack observation. If, during a review, the Center is out of compliance with the Contract, the next review will be unannounced.
- Perform the five-day meal count reconciliation at each monitoring visit. The number of participants on the attendance and enrollment records for each meal will be compared for the day we are there and for five consecutive days. This procedure will help maintain compliance.
- Contact participants and/or parents/guardians of participants to verify attendance as deemed necessary or as required by the Michigan Department of Education (MDE).

- Assist the Center with record retention in an organized efficient manner. Records must be maintained for three (3) years plus the current fiscal year and be readily available to (Sponsor's Name), MDE and U.S. Department of Agriculture (USDA). Twelve months of records must be available on-site at all times, for immediate review. In addition, you must allow any of the aforementioned representatives in the Center at any time during regular business hours to review the records.
- Automatically deduct an administrative fee of up to 15% of the Center's total monthly reimbursement (not including cash-in-lieu payments) from the Center's payment prior to disbursement (remove if not applicable). If the sponsor does not incur 15% administrative costs in any month, the sponsor will only retain the percentage of administrative costs it actually incurred.
- Provide a meal or snack to the Center at no additional cost and in return will keep the Child and Adult Care Food Program Reimbursement (remove if not applicable).
- Show photo identification that demonstrates they are employees of (Sponsor's Name) during center reviews.
- Propose to terminate this Contract for cause if the center fails to comply with CACFP regulations.
- Inform the unaffiliated center they can choose to participate in the CACFP directly with MDE.

The Center will:

- Operate a non-profit food service and have on file documentation to support a non-profit food service.
- Have a current license and operate within the licensed capacity (child care centers only).
- Comply with Child & Adult Care Food Program (CACFP) and the Bureau of Child & Licensing (BCAL) rules, regulations, and requirements.
- Meet all local and state health and safety standards
- Participate in (Sponsor's Name) training, at least annually.
- Record and maintain all records required including menus, meal attendance, center attendance, enrollment, and all food service expenses.
- Submit all meal attendance, menus, new participant registration letters, income forms, and expense receipts to (Sponsor's Name), postmarked or submitted electronically by the (insert date) of each month. Any forms not meeting this deadline will be submitted for an amendment but will not be accepted more than 45 days from the (date) of the month.
- Submit menus to the sponsor in advance for pre-approval. Menus must be submitted on the (date) of the month prior to the actual claim month. (Example: May's menus need to be submitted on April (date)).
- Submit participant registration and income forms before a participant can be claimed.

- Maintain receipts of all CACFP related purchases and submit copies of the receipts to (Sponsor's Name) with the monthly claim or by the (date) of each month.
- If the center serves infants, at least one brand of formula and infant foods must be offered to infants even if the center is not claiming them on the food program. If the parent declines the formula and infant foods offered by the center and chooses to provide their own formula, breast milk, or food, an Infant Formula/Food Waiver must be signed and kept on file for three years plus the current fiscal year.
- Be aware the rate of reimbursement may change monthly as a result of the new income eligibility forms submitted by the Center.
- Notify (Sponsor's Name) of the status of the Center's State of Michigan, Child Care License and other correspondence related to its status. This includes but is not limited to a change of capacity, address, license number, etc. Continued participation in CACFP is contingent upon the receipt of this information by (Sponsor's Name).
- Allow (Sponsor's Name), MDE, and other state and federal officials the right to review the center to observe meal service and review records during the hours of operation. These reviews will be announced or unannounced. If, during a review, the center is out of compliance with this Contract, the next review will be unannounced.
- Annually collect from the participants/parents/guardians an enrollment form for each participant claimed in CACFP in order to be reimbursed. Allow (Sponsor's Name), MDE, and/or USDA to use the information on the registration letter to contact the participants/parents/guardians to verify attendance and meal participation. (Not applicable for At-Risk Afterschool and Emergency Shelters.)
- Provide, prepare and serve meals/snacks which meet the USDA CACFP meal patterns.
- Claim no more than two meals and one snack or two snacks and one meal per participant, per day. (At-Risk Afterschool programs can claim a maximum of one meal and one snack, per participant, per day.)
- Use the USDA non-discrimination statement on all printed materials and websites that mention meals and snacks. (Emergency Shelters can claim three meals per day.)
- Follow the policy that restricts the transfer of centers between sponsoring organizations during a fiscal year. Centers are allowed to change sponsor organizations at the end of the fiscal year (October 1 – September 30). The center 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 center 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

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 center 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 center's notification to the State of Michigan's Licensing Agency that the center 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 centers that are terminated due to the voluntary closure or closure due to other reasons not related to program deficiencies.

Center Official/Director

Date

Sponsor Representative

Date

USDA Nondiscrimination 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: **mail:** U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; or **fax:** (833) 256-1665 or (202) 690-7442; or **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>

7/2022