



DOH-CACFP: Number 226 (02/25)

TO: All CACFP Sponsoring Organizations

FROM: Danielle Quigley, MS, RD, CDN *Danielle Quigley, MS, RD, CDN*
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SUBJECT: Implementation of the Child Nutrition Program Integrity Final Rule

I. Purpose and Scope

This memo describes the policies and procedures that the Child and Adult Care Food Program (CACFP) will follow to implement the Child Nutrition Program Integrity Final Rule.

II. Background

On August 23, 2023 the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) published the [Child Nutrition Program Integrity Final Rule](#). This rule aims to ensure that child nutrition programs are properly operated and managed to protect federal funds, strengthen program integrity and financial oversight, and improve compliance with program requirements.

III. Requirements

The following changes will be implemented beginning in Federal Fiscal Year 2025 (October 1, 2024 – September 30, 2025):

1. State Agency Program Review Requirements – CACFP is currently required to conduct program reviews every three years for independent centers and sponsoring organizations that operate up to 100 facilities. Program reviews are now required at least once every two years for Sponsoring Organizations that operate more than 100 facilities, those that engage in activities other than CACFP, and those that had serious management problems in previous program reviews or are at risk of having serious management problems.
 - Examples of activities/institutions that are subject to more frequent monitoring include large nonprofit and for-profit institutions, institutions that operate other programs and/or have multiple funding sources, community-based organizations, food banks, and institutions that administer contract services (such as training or administrative services).
 - This does not apply to Sponsoring Organizations that operate other Child Nutrition Programs, Head Start, Pre-K grants, or subsidized child care.

- Examples of serious management problems may include failure to demonstrate financial viability, maintain administrative capability, have internal controls for accountability, meet meal pattern requirements, maintain adequate records, comply with food service vendor bid procedures, respond to program review findings, monitor facilities, and attend training.
2. Financial Review of Sponsoring Organizations – The final rule requires CACFP to annually review at least one month of the Sponsoring Organization’s bank account activity, and to reconcile reported expenditures with program payments to ensure that funds are fully accounted for. CACFP may extend the review to additional months if discrepancies are identified.
- This does not apply to Independent Centers.

IV. Procedures

CACFP will identify Sponsoring Organizations to be reviewed at least once every two years and those requiring an annual financial review of bank account activity. A test month will be identified and Sponsors will have 30 days to submit requested supporting documentation for annual financial reviews. Documentation may include:

- Bank statement(s) for all accounts that CACFP funds are transferred in and out of
- Credit card statements
- Dated invoices
- Itemized receipts
- Cancelled checks
- Payroll documentation

Sponsoring Organizations who are non-responsive to annual financial reviews of bank account activity, who demonstrate improper use of program funds and/or fail to maintain adequate records may be determined to be seriously deficient. Non-responsiveness may also result in a rejection of claims for reimbursement.

If you have questions or need assistance, please contact us at cacfp@health.ny.gov or call the CACFP Resource Management and Operations Unit at 1-800-942-3858, option 2.