

**TO:** CACFP Sponsoring Organizations of Day Care Homes

**FROM:** Sandra J Rhoades, Director, Homes Administration Unit  
Child and Adult Care Food Program

**DATE:** March 18, 2013

**SUBJECT:** Procedural Changes with CIPS Implementation

The implementation of the CACFP Information and Payment System (CIPS) required some changes to CACFP's procedures for managing the day care home (DCH) operations for Sponsoring Organizations (Sponsors) and the State. Most of these changes have already been communicated to Sponsors through Adobe Connect Training, email and conversations with State staff. This memorandum seeks to formalize that communication. All procedures are effective immediately.

**I. CCFS Changes**

CIPS receives daily updates from the Child Care Facility System (CCFS) on the registration, licensing and enrollment status for participating DCH providers.

A. Daily Changes for Active Providers: Daily changes could include a modality change or contact information changes such as a phone number or email address. Sponsors should review and approve CCFS changes in CIPS on a daily basis.

B. CCFS Change Closes Provider: CIPS will automatically set a provider to a closed status when the facility ID changes to a non-payable status, such as Closed or Suspended. The CIPS closure effective date is set to the effective date of the CCFS status change. Information on a facility-related closure is only retained by CCFS for 30 days past the closure date. A provider is eligible to claim up to the closure date but not if it is more than 30 days past that date. Sponsors should create a final claim for the closed provider as soon as CCFS identifies the closure. Sponsors will create the final claim for a closed provider prior to 30 days past the closure date.

C. Facility ID Changes and Moved Providers: Facility ID changes occur when a provider has a modality change or moves to a new location. When CIPS receives information from CCFS that a provider's previous registration or license is closed, it will mark the provider's application as Closed/Pending Validation. The Sponsor then enters the new facility ID under the Sponsor Use Only section of the provider's application and approves the change. Sponsors do not need to obtain a new, signed DOH-3705 for providers who move or have a modality change.

- D. Pending On-site Providers: CCFS changes the on-site provider when there is a pending on-site provider. The CCFS update does not identify the provider as pending, and therefore CIPS does not either. Currently, claim records in CIPS reflect the most current on-site provider regardless of when the change occurred. CACFP will have a fix for this problem shortly. Sponsors must submit an updated on-site Provider Addendum form (CACFP-160) for all on-site provider changes, pending and otherwise. When fixed, CACFP reimbursement will be issued to the on-site provider present for the month of the claim.

## **II. Owners of Single or Multiple DCH's with an On-site Provider**

- A. An on-site provider is the primary caregiver in the home, the entity that signs the Continuous Application and Agreement for Day Care Home Participation (CACFP-3705), the person responsible for maintaining on-site daily records of menus and attendance, and the person Sponsor staff should see during all monitoring visits. The On-site Provider may also be responsible for any serious deficiencies in the operation of CACFP. Sponsors must make sure they are using the most current versions of the CACFP-3705 (3/12) and CACFP-160 (3/12), which are available to order and download from CACFP's website at:  
<http://www.health.ny.gov/prevention/nutrition/cacfp/>
- B. CIPS is designed to issue payment to the on-site provider as directed by USDA. Therefore, the CACFP reimbursement must be issued to the on-site provider in all cases. The Owner's and/or official business name may be included on the reimbursement check and direct deposits may be sent to the bank account requested by the on-site provider. Please note it is up to the owner and on-site provider to figure out how the funds will be handled once they are issued by the Sponsor in the on-site provider's name. CACFP is working to include the Owner's or official business name on the claim export in CIPS. In no circumstance should the owner sign a check made out to the on-site provider. Sponsors should communicate this procedure to the owners and on-site providers to avoid misunderstandings and possible denial of claims when the procedure is not followed.
- C. CACFP reimbursement is not considered income, therefore, it should not affect the on-site provider's tax return. Sponsors are not required to issue 1099 forms for CACFP reimbursement. However, reports of annual reimbursement are allowed.

## **III. Transferring Providers**

- A. CIPS is designed to track transfers of providers from one sponsor to another to ensure adherence to the rule limiting transfers to no more than once per 12 month period. Please refer to Policy Memo DOH-CACFP 57 (07/01), Policy for Provider Transfers, available on CACFP's website.
- B. The actual transfer of a provider in CIPS can only be completed by CACFP staff. Sponsors are asked to call CACFP when they wish to transfer a provider so the process

can be initiated. A faxed copy of the provider's Continuous Application and Agreement (CACFP-3705) and Provider Transfer Form (DOH-4219) will need to be submitted for CACFP to initiate the transfer. Once initiated, CACFP will notify the sponsor to finish entering data for the provider and submit it for final approval. The transferring sponsor must not close the provider as CACFP will complete this as part of the official transfer process.

As a reminder, CIPS training materials are always available on the CACFP Adobe® Connect™ Training Website at: <http://nydontraining.health.state.ny.us>

Please contact a Homes Unit Nutritionist at 1-800-942-3858, select Option 3, if you have any questions.

**TO THE PROVIDER**

Submit this form if you wish to transfer your Child and Adult Care Food Program (CACFP) participation to another Sponsoring Organization. You must submit this form to your current Sponsor at least two weeks before the end of the month in which you wish to be transferred. You also must submit a copy of the completed form to the new Sponsor before you can transfer. Please be advised of the following:

1. All Providers are allowed only one transfer to another Sponsor per 12-month period, as per Policy Memo DOH-CACFP Number 165 (3/13).
2. No Sponsor is obligated to accept your application. Verify that the Sponsor you wish to transfer to will accept your application.
3. You cannot be approved for meal reimbursement with a new Sponsor until all paperwork is complete and approved by the State.
4. The Sponsor you leave is not obligated to take you back if you decide you would like to return.
5. CACFP meal reimbursement is paid at the same rate for all Sponsoring agencies. All Sponsors require Providers to attend training. All Sponsors visit Providers at meals and visits may be unannounced.
6. All Sponsors require Providers to keep daily menu and attendance records. All Sponsors are required to make meal disallowances when records are not current or accurate.
7. All Sponsors must disburse meal reimbursement within five (5) working days of receipt from the State.
8. Under no circumstances can a Provider claim any part of the same month under two Sponsors.

**PART 1 – PROVIDER COMPLETES AND SUBMITS TO CURRENT SPONSOR**

Provider	License No.
Provider Address	
Please drop me from your CACFP Sponsorship effective _____. <small style="text-align: center;">MONTH/YEAR</small>	
Signature	
Do you operate or own more than one home? <input type="checkbox"/> Yes <input type="checkbox"/> No	

**PART 2 – CURRENT SPONSOR COMPLETES AND RETURNS TO PROVIDER**

Current Sponsor		
Sponsor Agreement #	Phone	Date
We will pay meal reimbursement through the end of _____. <small style="text-align: center;">MONTH/YEAR</small>		
This Provider is eligible to transfer to another CACFP Sponsor effective the first of _____. <small style="text-align: center;">MONTH/YEAR</small>		
At this time the Provider is in good standing with our agency with no unresolved action pending. <input type="checkbox"/> Yes <input type="checkbox"/> No		
Comments		
Sponsor Representative Name _____		
Signature _____		Date _____

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