



DATE: October 21, 2026

MEMO CODE: CACFP 01-2027

SUBJECT: New Institutions' Participation in the Child and Adult Care Food Program

TO: Child Nutrition Directors, Child Nutrition Programs, All Child Nutrition Offices, State Directors, Child Nutrition Programs, All States

In alignment with Secretary Rollins' priority to take swift action to minimize instances of fraud, waste, and program abuse, the Food and Nutrition Administration (FNA) calls on State agencies to strengthen oversight of the Child and Adult Care Food Program (CACFP) through rigorous, well-documented application review procedures. As administrators of the CACFP, State agencies play a critical role in thoroughly vetting new sponsoring organizations before participation begins. Careful applicant screening is essential to protect taxpayer resources and ensure that only capable, compliant, and accountable organizations administer the FNA Nutrition Assistance Programs.

This memorandum highlights the importance of utilizing standardized checklists, proactive communication to resolve red flags, and detailed documentation throughout the review and decision-making process. It outlines a clear sequence of actions designed to ensure only institutions that fully meet statutory and regulatory requirements enter the Program. By following these recommended procedures, State agencies help uphold public confidence, prevent fraud and waste, and safeguard the integrity and accountability that underpin the mission of USDA's nutrition assistance programs.

Guidance documents lack the force and effect of law, unless expressly authorized by statute or incorporated into a contract. USDA may not cite, use, or rely on any guidance that is not available through their guidance portal, except to establish historical facts.

Reinforcing State agency oversight efforts at the initial onboarding sponsoring organization process contributes to fulfilling your essential role in safeguarding the integrity of the Program, maximizing the impact of taxpayer dollars, and protecting access to CACFP for eligible participants.

Sincerely,

JESSICA SARACINO Digitally signed by JESSICA SARACINO
Date: 2026.10.20 12:55:57 -04'00'

Jessica Saracino
Acting Associate Administrator
Child Nutrition Programs
Food and Nutrition Administration
U.S. Department of Agriculture

Enclosure

New Institution Participation in the CACFP

Each State agency must establish application review procedures to determine the eligibility of new sponsoring organizations applying to participate in the CACFP ([7 CFR 226.6\(b\)\(1\)](#)). State agencies must deny applications for institutions that cannot demonstrate an ability to successfully administer the Program. Thoroughly vetting applicants preserves limited State agency resources and ensures that newly approved sponsoring organizations are capable, compliant, and committed to Program integrity.

State agencies must verify that institutions and responsible principals and individuals (RPIs) are not on the National Disqualified List (NDL). State agencies must refuse to consider an application from an institution on the NDL, as well as an institution employing a responsible principal or any individual on the NDL who will be engaged in the CACFP. The application must be denied, and appeal rights are not required for this action ([7 CFR 226.6\(b\)\(1\)\(xii\)](#)).

Application Review with a Strong Emphasis on the Performance Standards

New institutions must submit sufficient documentation that shows they are financially viable, administratively capable of operating the Program, and have internal controls to ensure viability, capability, and accountability (VCA) ([7 CFR 226.6\(b\)\(1\)\(xviii\)](#)). VCA is a foundational element that supports the integrity and effectiveness of the CACFP, ensuring that participating institutions are financially sound, administratively capable, and accountable for their operations.

Financial Viability and Financial management ([7 CFR 226.6\(b\)\(1\)\(xviii\)\(A\)](#))

State agencies must verify that non-Program financial resources are available to cover the portion of the budget not funded through the CACFP.

Administrative Capability ([7 CFR 226.6\(b\)\(1\)\(xviii\)\(B\)](#))

Sponsoring organizations must demonstrate that employed staff numbers meet the required monitors-to-facility ratio.

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Program Accountability [\(7 CFR 226.6\(b\)\(1\)\(xviii\)\(C\)\)](#)

Sponsoring organizations must verify the independence of the governing board and all relationships, familial, financial, or contractual, must be disclosed prior to approval. Composition of the board may be determined by State or local law. When screening applications, ask the following questions:

- “Are board members related to one another, institution staff, or contractors?”
- “Are board members paid for their services?”

Less-than-arms-length transactions require full disclosure and specific prior written FNA Office approval.

Streamlining the Application Intake Process

An efficient application intake process is essential to ensuring that each submission receives a complete, consistent, and timely review. State agencies can strengthen program oversight while reducing delays for applicants when utilizing the following:

1. Develop a standardized checklist to track required Federal and State documentation that has been submitted by the applicant.
2. Assess risk upfront by contacting applicants to clarify and resolve red flags identified during the pre-screening process.
3. Document that the decision is consistent with the regulations. Including supporting details throughout the process can help support denial decisions should the sponsoring organization appeal.

The Application Review Process at a Glance

Phase	Action Item
Initial Review	Verify budget aligns with anticipated reimbursement.
Pre-Approval Visit	Confirm the information in the institution's application and sponsoring organization's management plan. • Does the physical facility support the intended meal service? • Are the outlined procedures occurring on-site?
Remediation	Require institutions to resolve application or operational gaps prior to approval.
Decision Point	Deny the application if issues remain unresolved. Provide administrative review (appeal) procedures.