FY 2027 CACFP STATE WAIVER REQUEST TEMPLATE FOR SPONSORING ORGANIZATIONS TO CONDUCT OFFSITE MONITORING OF DAY CARE HOMES IN RURAL AREAS

Background

Child Nutrition Programs are expected to be administered in accordance with all statutory and regulatory requirements; waivers to the requirements are exceptions. However, Section 12(l) of the Richard B. Russell National School Lunch Act (NSLA), 42 U.S.C. 1760(l), provides USDA authority to waive requirements for State agencies or eligible service providers under certain circumstances.

Important FY 2027 revision: This rural-only approach modifies the offsite monitoring waiver approach originally distributed for FY 2027. Effectively with all approvals going forward, a Sponsoring organization must document that the DCH meets at least one of the rural criteria below to be eligible for an offsite monitoring review. Requests that do not satisfy this rural eligibility requirement will not be approved under this approach.

The longstanding interpretation of the authorizing statutory provisions and regulations in the Child and Adult Care Food Program (CACFP) require sponsoring organizations to conduct monitoring reviews onsite. Food and Nutrition Administration (FNA) understands that the use of offsite monitoring in prior years was effective for many sponsoring organizations of day care homes (DCH). This optional waiver request form was designed to streamline the process for State agencies requesting a waiver for sponsoring organizations to conduct one offsite monitoring review only for DCHs located in a rural area and participating in the CACFP.

Rural means:

(1) any area in a county that is not part of a Metropolitan Statistical Area based on the Office of Management and Budget's Delineations of Metropolitan Statistical Areas;

(2) any area in a county classified as non-metropolitan based on the USDA Economic Research Service's Rural-Urban Continuum Codes and Urban Influence Codes;

USDA is an equal opportunity provider, employer, and lender.

(3) any census tract classified as non-metropolitan based on the USDA Economic Research Service's Rural-Urban Commuting Area codes;

(4) any area of a Metropolitan Statistical Area that is not part of a Census Bureau-defined urban area;

(5) any area of a State that is not part of an urban area as determined by the Secretary

(6) any subsequent substitution or update of these classification schemes created by Federal governing bodies; or

(7) any 'pocket' within a Metropolitan Statistical Area that, at the option of the State agency and with FNS Regional Office approval, is determined to be rural in character based on other data sources.

State agencies and eligible service providers are encouraged to submit complete waiver requests as soon as possible. Implementation of this waiver will begin on the date of approval through September 30, 2027.

FY 27 CACFP OFFSITE MONITORING OF DCHs IN RURAL AREAS WAIVER REQUEST

1. **State agency submitting waiver request and responsible State agency staff contact information:**

   State agency:

   Iowa Department of Education

   Date (Click on box to select date):

   11/23/2026

   Mailing Address:

   400 E. 14th St. Des Moines, IA 50319

   Name and Title of person completing this form:

   Annette Miller, Compliance Attorney

   Name and Title of person to whom the response should be addressed:

   Kala Shipley, Bureau Chief

2. SSE Hub (Click on box to select):

Midwest

3. Affirmation that eligible service providers participating in the waiver are in good standing:

Please check one: Yes ☒ No ☐

If No, please explain:

_____

i. How many sponsoring organizations, in good standing, with DCHs in rural areas as defined above, are eligible to apply for this waiver?

There will be 10 home sponsoring organizations that are eligible to apply for this waiver.

ii. How many DCH providers, in good standing and located in a rural area as defined above, are eligible to receive one offsite monitoring visit?

Approximately 223 DCH providers in good standing will be eligible to receive one offsite monitoring visit.

4. Description of the challenge the State agency is seeking to solve as it relates to conducting onsite monitoring visits, the goal of the waiver to improve services under the Program, and the expected outcomes if the waiver is granted. [Sections 12(l)(2)(A)(iii) and 12(l)(2)(A)(iv) of the NSLA]:

■ Allow sponsoring organizations to conduct one offsite monitoring visit only for DCHs located in a rural area and participating in the CACFP to reduce administrative burden while ensuring all review elements are met within the timeframes set forth in regulation.

i. Please describe the rural characteristics and the current challenges and burdens that impact the sponsoring organization's ability to monitor eligible DCHs on-site.

Home Sponsors cover several counties which requires close to three hours in some instances for travel. There are a small number of providers in the rural areas, but the home sponsor is traveling close to three hours in travel time to complete those monitoring visits. The costs for travel and staff travel time have been reduced because of the allowance of offsite monitoring for those home providers in good standing.

ii. If citing distance criteria, also provide a description of the travel burden such as mile radius, travel time, or multiple modes of transportation required to review the DCH on-site.

Home sponsoring organizations are traveling close to three hours in some instances. This requires a high number of travel hours versus being able to provide more meaningful technical assistance to be in compliance with the rigorous administrative requirements. Many home sponsoring organizations report not having enough funding to cover expenses. Multiple in-person visits are sometimes needed to complete a prior review or follow up review adding to sponsor organization costs. Home sponsoring organizations have reported the costs for travel and staff time have been reduced the past several years due to the allowance of offsite monitoring for those home providers in good standing.

iii. Please describe how this waiver will address the challenges and burdens selected above.

This waiver will help alleviate staff time spent on travel and reduce the burden and financial strain on home sponsor organizations. Home sponsoring organizations reported that offsite monitoring significantly reduced travel time and costs to the organization while still ensuring program compliance with regulations.

iv. Please describe how the implementation of this waiver will sustain participation in the Program for sponsoring organizations and DCHs.

This waiver will increase the likelihood of sponsor retention through budget savings and the ability to focus more on recruitment of new providers. Adding new DCH providers will also increase the likelihood of retention of the home sponsors.

5. Specific Program requirements to be waived (including statutory and regulatory citations). [Section 12(l)(2)(A)(i) of the NSLA]:

Child and Adult Care Food Program (CACFP):

▣[7 CFR 226.16(d)(4)(iii)]. Frequency and type of required facility reviews.

- Specifically, that all three monitoring reviews must be conducted on-site.

6. Detailed description of alternative procedures and anticipated impact on Program operations, including technology, State systems, and monitoring:

Interested sponsors must notify the Department of their intent to participate in the waiver by completing a request form. Once approval is granted by the State agency, the sponsor management plan will be updated to reflect use of the waiver. There will be no impact on program operations for the State agency or sponsor levels. There are some providers who may not have computers or the ability to utilize virtual platforms. In these cases, the sponsor would still need to complete an onsite visit.

7. Description of any steps the State has taken to address regulatory barriers at the State level. [Section 12(l)(2)(A)(ii) of the NSLA]:

▣ No regulatory barriers are expected at the State level.

If regulatory barriers are expected at the State level, please list steps taken to address them in the box below:

_____

8. Anticipated challenges State or eligible service providers may face with the waiver implementation:

▣ No challenges to the State or eligible providers are anticipated with this waiver implementation.

If the State or eligible service providers anticipate challenges implementing this waiver, please explain in the box below:

N/A

_____

9. Description of how the waiver will not increase the overall cost of the Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid by non-Federal funds. [Section 12(l)(1)(A)(iii) of the NSLA]:

☒ No anticipated increase in Federal Government costs.

☐ Other, please specify:

_____

10. Anticipated waiver implementation date and time period:

This waiver will be in effect from **Date of Approval** through **September 30, 2027**.

11. Proposed monitoring and review procedures:

State agencies should provide, in detail, a plan for offsite monitoring visits by sponsoring organizations, including procedures to verify and document that each DCH approved for an offsite review is located in a rural area. Please note that in all cases, sponsoring organizations of DCHs must conduct at least one unannounced review on-site annually which includes the observation of meal service.

i. What oversight measures will the State agency implement to ensure Program integrity?

The State agency will continue to carry out normal monitoring via administrative reviews. Sponsoring organizations found to have noncompliance issues as related to this waiver will receive technical assistance from the State agency. If implemented, the State agency will collect feedback on how the use of the waiver benefited the home sponsoring organization.

ii. Please describe the alternative monitoring plan the sponsoring organization plans to implement.

A. Please select which technology platform(s) will be used to conduct the offsite monitoring visit.

All of the above

B. Please describe how sponsoring organizations will address findings during their offsite monitoring visit.

Home sponsors will continue to address findings during their offsite monitoring visits in the same manner as they would if the monitoring review were being conducted onsite. Any findings and technical assistance will be documented and corrective action will be required as appropriate.

C. How will sponsoring organizations address providers that miss their virtual visit?

Sponsoring organizations will address missed virtual visits the same as they would for an in person visit. Each sponsoring organization that has participated in this waiver over the past several years has successfully put plans in place to address this situation.

D. Additional information:

Home sponsors in Iowa have been with CACFP for many years and are experienced with offsite monitoring. They successfully implemented offsite monitoring during the pandemic and have carried out virtual monitoring visits for several years under approved waivers. The organizations seek out technical assistance from the State agency frequently to help navigate any unique situations and are hopeful that a waiver will be approved for fiscal year 2026-2027.

12. Affirmation that the State agency will verify rural eligibility and require eligible sponsoring organizations to submit a monitoring plan prior to the approval of utilizing offsite strategies for one monitoring review.

Please check one: Yes ☒ No ☐

If No, please explain:

13. Proposed reporting requirements (include type of data and due date(s) to FNA):

Upon approval, the State agency must report the following on their annual waiver report:

- A description of how this waiver allowed the Program(s) to provide nutritional meals and/or snacks to Program participants;
- A description of how this waiver improved services for the Program(s) participants;
- A description of how the waiver reduced the administrative burden necessary to operate the Program(s);
- A description of how the waiver has facilitated sponsoring organizations' oversight abilities and responsibilities;
- A summary of how many sponsoring organizations utilized this waiver and how many were recruited or retained as a result of the waiver approval;
- A summary of how many DCHs were monitored offsite during the waiver period;
- A summary of program integrity measures taken to identify any misuse of Federal funds and identify fraudulent activities, and, if anything was identified, any actions taken; and
- A summary of any technical assistance measures that were provided by the State agency to sponsoring organizations and to DCH providers by the sponsoring organizations.

Public Notice

Link to or a copy of the public notice informing the public about the proposed waiver [Section 12(l)(1)(A)(ii) of the NSLA]:

https://educate.iowa.gov/pk-12/operation-support/nutrition-programs/child-adult-care-food-program

State agency Signature

Signature and title of requesting official:

Kala Shipley
_____

Title: Bureau Chief
_____

Requesting official's email address for transmission of response:

kala.shipley@iowa.gov
_____

TO BE COMPLETED BY FNA REGIONAL OFFICE:

FNA Regional Offices are requested to ensure the questions have been adequately addressed by the State agency and formulate an opinion and justification for a response to the waiver request based on their knowledge, experience and work with the State.

Date request was received by SSE Hub:

☐ Check this box to confirm that the State agency has provided public notice in accordance with Section 12(l)(1)(A)(ii) of the NSLA.

SSE Hub Analysis and Recommendations:

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FY27_OffsiteMonitoringofDCHs_RuralWaiverRequest11-20-26

Final Audit Report 2026-11-20

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