



**North Carolina Department of Health and Human Services  
Division of Public Health – Women’s & Children’s Health Section**

1914 Mail Service Center • Raleigh, North Carolina 27699-1914

Tel 919-733-2973 • Fax 919-733-1384

Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

July 30, 2004

**CACFP 04-20**

**MEMORANDUM**

**TO:** Sponsoring Organizations of Day Care Homes Participating in the CACFP

**FROM:** Arnette Cowan, MS, RD, LDN  
Supervisor, Special Nutrition Programs

**SUBJECT: Provider Agreements in the Child and Adult Care Food Program**

The Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265) provides for the use of permanent CACFP agreements between sponsoring organizations and family or group day care homes. These agreements record specific rights and responsibilities of sponsoring organizations and the family or group day care homes that participate in the CACFP under their supervision.

Sponsors do not need to revise currently valid agreements, but must make all agreements permanent as they are updated or revised. All day care homes must have a permanent agreement in place no later than July 1, 2005.

The law further stipulates that either party to the permanent agreement may still terminate the agreement. Thus, although the agreement is permanent, it does not remove the right of the sponsoring organization to terminate a family or group day care home for cause (i.e. expired license, etc.) or convenience, nor does it remove the right of a day care home provider to change sponsors in accordance with current regulations. Should a family or group day care home provider be out of program compliance, the sponsoring organization would follow the serious deficiency process. Sponsoring organizations will continue to be permitted to amend the permanent agreement when there is a change in program policy or meal services. State agencies and sponsoring organizations are reminded that permanent agreements must stipulate that Program payments are conditional contingent upon the availability of Federal funds.

Please contact your regional consultant if you have questions.

cc: SNP staff  
Auditors



