



North Carolina Department of Health and Human Services  
Division of Public Health – Women’s & Children’s Health Section  
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Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

June 7, 2007

**Federal Express**

CACFP 07-09

To: Sponsoring Organizations of Day Care Homes  
From: Arnette Cowan, Head Special Nutrition Programs Unit  
Re: Retroactive Reimbursement for Day Care Homes

The State Agency has received clarification from Food and Nutrition Service (FNS) concerning retroactive reimbursement for Day Care Homes. 7 CFR §226.11(a) provides that the “State agency may develop a policy under which centers are reimbursed for meals served in accordance with provisions of the Program in the calendar month preceding the calendar month in which the agreement is executed, or the State agency may develop a policy under which centers receive reimbursement only for meals served in approved centers on and after the effective date of the Program agreement.” The State Agency may make retroactive reimbursement payments to child care centers, adult day care centers and outside-school hours care centers. 7 CFR §226.11 does not give the State Agency the authority to reimburse day care homes retroactively.

Therefore, beginning October 1, 2007, all day care homes may only be eligible for reimbursement beginning the month of approval. This means that if a Sponsoring Organization’s agreement is approved in November, the day care homes may be eligible for reimbursement beginning in November. However, if the Sponsor is a Sponsoring Organization of day care homes and centers and the application is approved in November, the renewing child care centers may receive reimbursement retroactively to October, while the day care homes and new sponsored centers may receive reimbursement beginning in November. Furthermore, if a sponsoring organization adds a day care home or center to its sponsorship, the day care home and center may be eligible for reimbursement beginning with the date the addition is approved.

We realize that is a change from what has taken place previously. However, this change is necessary in order for the State Agency to be in compliance with 7 CFR §226.11

If you have questions, please contact your regional consultant.

cc: SNP Staff  
Auditors  
Maryanne Burghardt  
Anteasha Farrell

