

**AGREEMENT BETWEEN SPONSORING ORGANIZATIONS WITH FEWER THAN 100 FACILITIES
AND UNAFFILIATED CENTER (New Centers Only)**

INSTRUCTIONS: An original and two copies of this Agreement must be completed and signed by the Facility's Board Chairperson or Owner and returned to the Sponsoring Organization. An authorized representative of the Sponsoring Organization must sign all copies, keep one, send one back to the Facility's Board Chairperson or Owner, and provide a copy to the Department of Health and Human Services (hereinafter referred to as the "State Agency").

Name of Facility: _____ Federal ID #: _____
Street Address: _____ County: _____
City, Zip: _____ Telephone Number : (____) _____
Mailing Address: _____ Fax #: (____) _____
City, Zip: _____
Type of Facility: () State Government () Local Government () Federal Government () Private For Profit () Private Nonprofit

Entire Agreement

This Agreement and any documents incorporated specifically by reference including Attachments A and B represent the entire agreement between the parties and supersede all prior oral or written statements or agreements.

In order to achieve the purpose of Section 17 of the National School Lunch Act, as amended, and the regulations governing the Child and Adult Care Food Program (CACFP)

(Sponsoring Organization's Name) _____ (Sponsoring Organization's Agreement #) _____

(Sponsoring Organization's Address) _____

(hereinafter referred to as the "Sponsoring Organization") and the Facility whose name and address appear above, agree to comply with the terms of this Agreement and all applicable federal and state laws, regulations, and policies governing the CACFP.

I. THE FACILITY AGREES:

A. Program Benefits

The Facility, by participation in the CACFP, accepts the responsibility for providing program benefits to eligible participants at the Facility listed above.

B. Meal(s) Approved

This Facility has been approved by the Sponsoring Organization to serve the following meals:

___ Breakfast ___ AM Snack ___ Lunch ___ PM Snack ___ Supper ___ Late PM Snack ___ At Risk - ASCS

C. Reporting Requirements

The Division has determined that this is a contract for financial assistance, and therefore is subject to reporting requirements described on the attached Notice of Certain Reporting and Audit Requirements, Attachment C (Private entities only).

D. Statement of No Overdue Tax Debts

Contractor's sworn written statement pursuant to N.C.G.S. 143C-6-23(c), stating that the Contractor does not have any overdue tax debts, as defined by G.S. 105-243.1, at the federal, State, or local level, is attached as Attachment D. Contractor acknowledges that the written statement must be filed before Division may disburse the grant funds.

E. Reviews

The Facility agrees to allow the sponsoring organization, State Agency, United States Department of Agriculture, and other State or Federal officials to make announced or unannounced reviews of its operations during the normal hours of child or adult care

operations. Anyone making such reviews must show photo identification that demonstrates that they are employees of one of these entities.

F. Change in Ownership

The Facility shall notify the Sponsoring Organization when ownership or legal entity changes or the Facility ceases operation. A change in ownership or legal entity automatically terminates this agreement.

G. The Facility further agrees to:

Claim reimbursement only for the type(s) of meals approved in this Agreement;

Supply meals without charge to all participants at the Facility approved in this Agreement;

Notify the Sponsoring Organization, without delay, if there are any changes in the Facility's license or approval status;

Provide meal count, menu records, and operating cost records to the Sponsoring Organization by the ____ day of each month. Failure to do so may result in loss of payment for that month;

Serve meals which meet the CACFP meal pattern requirements as set forth in 7 CFR §226.20 for the ages of participants being served;

Comply with the terms of this Agreement and all applicable federal and state laws, regulations and policies governing the CACFP, including, but not limited to, 42 USC §1766, 7 CFR Part 226 and 10A NCAC 43J, with all subsequent amendments and editions;

Take corrective action on matters of noncompliance with CACFP laws, regulations and policies within the time frame(s) specified by the Sponsoring Organization. It is further understood and agreed that failure to take corrective action on matters of noncompliance within the time frame(s) specified by the Sponsoring Organization may constitute grounds for termination from participation in the CACFP;

Upon request, make all accounts and records pertaining to the program available to the Sponsoring Organization, and/or State and Federal Agencies for audit or administrative review at a reasonable time and place. Failure to make records available may constitute grounds for termination;

Maintain the following records:

- A copy of CACFP Agreement between Sponsoring Organization and Facility (CAC-8C);
- A copy of the Program Facility Application (CAC-7);
- A valid day care license as issued by the proper licensing entity;
- Documentation of two training sessions annually (including date(s), location(s), and topics);
- Daily records listing the number of enrolled participants in attendance and the number of meals served by type to enrolled participants;
- Budget (CAC-9 for sponsored centers);
- Itemized receipts and canceled checks which support the completion of the Cash Receipts and Disbursement Journal (CAC-5);
- Certification of Eligibility for Title XIX and XX Centers (CAC-1C);
- Payment invoices from the appropriate entity(ies) documenting Title XIX and XX beneficiaries;
- Monthly attendance records of all enrolled participants each month meals are claimed;
- Documentation that demonstrates all federal CACFP reimbursement received has been used solely for the operation of the CACFP to improve the quality of food served to enrolled participants;
- Provision of Iron-fortified Infant Formula or Breastmilk and Provision of Baby Food form;
- Daily dated menus;
- Income eligibility applications;
- 501(c)(3) documentation, if applicable;
- Documentation of enrollment for each participant as required by 7 CFR §226;
- Daily records of time of service meal counts by type (breakfast, lunch, supper, and snacks) served to enrolled children and to adults performing labor necessary to the food service;
- Catered meal documentation (delivery slips), if applicable;
- Racial/ethnic data form;
- Any other records required by the Sponsoring Organization.

Failure to provide these records, or missing, inadequate, incomplete, or inaccurate records, or discrepancies between records, shall be grounds for the disallowance of meals or reclaiming of reimbursement or both.

Maintain all program records, reports and other documents pertaining to the CACFP at the Facility;

If the Facility is a proprietary Title XIX or XX Facility, ensure that the Facility does not claim reimbursement in any month unless 25% of the enrolled participants or licensed capacity, whichever is less, are Title XIX or XX beneficiaries or at least 25% of the children served by the Facility are eligible for free or reduced priced meals.

Serve meals at meal service times as approved by the Sponsoring Organization on the Center/Facility Application (CAC-7); and

Comply with all requirements of Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and the Department's regulations concerning nondiscrimination (Part 15, 15a and 15b of this title), including requirements for racial and ethnic participation data collection, public notification of the nondiscrimination policy, and reviews to assure compliance with such policy to the end that no person may on the grounds of race, color, national origin, sex, age or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, the Program.

The Facility hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by the regulations of the Department of Agriculture (7 CFR Part 15), DOJ (28 CFR Parts 42 and 50) and FNS directives or regulations issued pursuant to that Act and the regulations, to the effect that, no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied benefits of, or be otherwise subject to discrimination under any program or activity for which the Facility received Federal financial assistance from USDA; and hereby gives assurance that it will immediately take any measures necessary to fulfill this agreement.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants, and loans of Federal funds, reimbursable expenditures, grant, or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration that is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease, or furnishing of services to the recipient, or any improvements made with Federal financial assistance extended to the Facility by USDA. This includes any Federal agreement, arrangement, or other contract that has as one of its purposes the provision of cash assistance for the purchase of food, and cash assistance for purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this assurance.

By accepting this assurance, the Facility agrees to compile data, maintain records, and submit reports as required, to permit effective enforcement of nondiscrimination laws, and permit authorized USDA personnel during hours of program operation to review such records, books, and accounts as needed to ascertain compliance with the nondiscrimination laws. If there are any violations of this assurance, the Department of Agriculture, FNS, shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Facility, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from USDA. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the Facility.

H. Conflict of Interest Policy

The Division has determined that this contract is a financial assistance contract. Contractor shall file with the Division, a copy of the Contractor's policy addressing conflicts of interest that may arise involving the Contractor's management employees and the members of its board of directors or other governing body. The policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the Contractor's employees or members of its board or other governing body, from the Contractor's disbursing of State funds and shall include actions to be taken by the Contractor or the individual, or both to avoid conflicts of interest and the appearance of impropriety. The policy shall be filed before the Division may disburse the grant funds. Refer to Attachment E. (N.C.G.S. 143C-6-23(b)).

II. THE SPONSORING ORGANIZATION AGREES:

A. Reimbursement

The Sponsoring Organization will reimburse the Facility in connection with meals served to participants at the approved Facility during the period of the Agreement. The amount of reimbursement for meals served in the CACFP by the Facility will be an amount equal to the number of meals, by type, served to enrolled participants, multiplied by the rate assigned by the USDA.

B. The Sponsoring Organization further agrees to:

1. Train Facility personnel before they begin participating in the Child and Adult Care Food Program;
2. Provide adequate supervisory and operational personnel for managing and monitoring the program;
3. Respond to the Facility's request for technical assistance;
4. Provide adequate Child and Adult Care Food Program record keeping forms to the Facility as requested or needed;
5. Make payments of program funds to the Facility within five (5) working days of receipt of reimbursement from the State Agency;
6. Accept final administrative and financial responsibility for program operations at the Facility under its jurisdiction; and
7. Charge no more than 15% of reimbursement, or the amount approved by the State Agency, earned by the Facility as an administrative fee.

III. THE SPONSORING ORGANIZATION AND FACILITY MUTUALLY AGREE:

A. Review of Meal Service and Records

The Sponsoring Organization and State Agency have the right to visit the Facility to review its meal service and the meal records during normal hours of operation.

B. Advances

All advances received by the Sponsoring Organization will be disbursed to participating facilities within five working days of receipt. The Facility agrees to repay the advance payment at time intervals established by the Sponsoring Organization. If the Facility's agreement is terminated before the time intervals established by the Sponsoring Organization comes, the Facility agrees to repay the advance in full at the time of agreement termination.

C. Termination or Modification of Agreement

This Agreement may be terminated by mutual agreement of the parties at any time. The Facility or Sponsoring Organization may terminate this Agreement for cause or convenience upon thirty (30) days' written notice. The Facility shall notify the Sponsoring Organization when ownership changes or the Facility ceases operation.

This Agreement may be modified upon thirty (30) days' written notice in order to comply with any new legislation, regulations and policies governing the CACFP.

D. Effective Period

After the Agreement is signed by the Facility and Sponsoring Agreement, it shall be effective upon State Agency approval. The Agreement shall expire September 30, 2011; provided, however, this Agreement is binding on the Facility as long as it receives assistance or retains possession of any funds from the USDA and the State Agency.

E. Incorporation by Reference

The entire contents of the Facility's program application are incorporated herein by reference.

FRAUD PENALTY

Whoever embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property that are the subject of a grant or other form of assistance, whether received directly or indirectly from USDA, or whoever receives, conceals, or retains such funds, assets, or property to personal use or gain, knowing such funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud shall, if such funds, assets, or property are of the value of \$100 or more, be fined not more than \$25,000 or imprisoned not more than five years, or both, or, if such funds, assets, or property are of a value of less than \$100, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

NONDISCRIMINATION

In accordance with Federal law and U.S. Department of Agriculture policy, this Facility is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Director, Office of

SIGNATURE WARRANTIES

Each individual signing below warrants that he or she is duly authorized to sign this agreement and to bind the party for whom he or she signs to the terms and conditions of this Agreement.

For Facility

By: _____
Signature

Date: _____

(Type or Print Name)

(Print Title)

Sponsoring Organization

By: _____
Signature of Sponsoring Organization's Authorized Agent

Date: _____

(Print Title)

(Type or Print Name)