



Food and  
Nutrition  
Service

May 20, 2020

Braddock  
Metro  
Center

Renee Kane, MPH, RD, LD  
Bureau Chief  
Bureau of Child Care Food Programs  
Florida Department of Health  
4052 Bald Cypress Way, Bin A-17  
Tallahassee, FL 32399

1320  
Braddock  
Place  
Alexandria  
VA 22314

Dear Ms. Kane:

This letter is in response to the Florida Department of Health's (FDOH) waiver request to allow sponsoring organizations to increase the amount of meal reimbursements retained for administrative costs during the novel coronavirus (COVID-19) pandemic, submitted April 8, 2020. FDOH requests a waiver of the restrictions on sponsoring organization administrative costs in the Child and Adult Care Food Program (CACFP). Specifically, FDOH requests to waive the requirements at 7 CFR 226.7(g) that sponsoring organizations may not retain more than 15 percent of meal reimbursements for administrative costs and at 7 CFR 226.12(a)(i-iv) for the calculation of administrative costs for sponsoring organizations of day care homes. FDOH requests a statewide waiver to allow CACFP sponsoring organizations to retain up to 20 percent of meal reimbursements for administrative costs and to allow sponsoring organizations of day care homes to claim administrative reimbursement based on the number of active day care homes that filed claims during the month of January 2020, or the current claim month, whichever is higher. While the Food and Nutrition Service (FNS) is sympathetic to the financial challenges facing CACFP sponsoring organization during the COVID-19 pandemic, it denies this request. FNS reminds FDOH that per 7 CFR 226.7(g), State agencies may waive the 15 percent administrative cost limit for sponsoring organizations on a case-by-case basis.

In its request, FDOH asserts that sponsoring organization administrative costs continue to accrue despite a reduction in active centers and day care homes. FDOH states that this waiver will allow sponsoring organizations to retain staff, cover administrative costs, and continue to administer CACFP. While FNS understands that sponsoring organizations are experiencing financial challenges right now, approval of this waiver would decrease the amount of reimbursement available to facilities to provide meals to eligible Program participants during the COVID-19 pandemic. In addition, regulations require the calculation of sponsoring organization of day care home's administrative costs to be based on the number of active participating family day care homes. FNS has approved multiple nationwide waivers to allow flexibility in the administration and monitoring of CACFP in order to support sponsoring organizations and facilities during this public health emergency. FNS recommends that sponsoring organizations utilize contingency funds, other required funding sources, as well as other federal resources to mitigate financial impact to their businesses.

FNS appreciates FDOH's commitment to meet the nutritional needs of child and adult participants during a challenging time. If you have questions, please contact the FNS Southeast Regional Office.

Sincerely,

A handwritten signature in black ink that reads "Sarah E. Smith-Holmes". The signature is written in a cursive style with a large initial 'S'.

Sarah Smith-Holmes  
Director  
Program Monitoring and Operational Support Division

Electronic Copies: Rosie Dougherty, SERO  
Brenda Lane, FDOH  
Danielle Sharp, FDOH