

CRITERIA FOR PROPOSED NEW FDCH SPONSORING ORGANIZATIONS

- PURPOSE:** To establish criteria for new family day care home sponsoring organizations.
- SCOPE:** Potential sponsors of family day care homes.
- DESCRIPTION:** All Family Day Care Home sponsoring organizations must be either government or private nonprofit institutions. Private individuals and for-profit organizations are not eligible to function as sponsors. In order to apply for participation in the program, your institution must first submit the documentation requested in the first eight items below. Once the institution demonstrates it has these basic qualifications, Management Plan and Budget forms will be provided, together with technical assistance on how to complete them.
1. Incorporation and certification, according to state law, as a tax-exempt organization.
 2. Recognition by Internal Revenue Service as private nonprofit corporation under Internal Revenue Code of 1986 (usually based on 501(c)(3) status).
 3. Governing board composition satisfactory to CACFP (Documentation showing the majority of the governing board is made up of individuals who are members of the community and who are not financially interested in the organization's activities and are not related to organization personnel or to each other).
 4. Document unserved facilities or participants according to the following criteria:
 - a. Recruited facilities are not currently participating or were recently terminated for convenience by another Sponsoring Organization (SO) due to being outside the SO's service area, and
 - b. Recruited facilities have not been terminated for cause, have no unresolved serious deficiency pending with another SO and do not owe a refund to another SO, and
 - c. The State Agency certifies other SOs are unable to accommodate the targeted facilities or the area(s) where it/they are located because:
 1. The other SOs generate insufficient resources to properly train and monitor facilities, and/or
 2. Supervising additional facilities would threaten other SOs' viability, capability or accountability.

5. Certification that neither the organization nor any of its principals has ever been disqualified from participation in any other publicly funded program and that neither the organization nor any of its principals has been convicted in the last seven years of any activity that indicated a lack of business integrity (e.g., fraud, embezzlement, theft, forgery, bribery, etc.).
6. Documentation of financial viability (resources to withstand temporary interruptions in program payments or demand for repayment of funds as shown in audits, financial statements, bank statements, etc.).
7. Documentation of administrative capability (adequate staff to operate the program and provide supervision and monitoring of participating facilities).
8. Documentation of program accountability (financial management system, record keeping system, training capability, etc.).

The prospective sponsoring organization must refrain from actively recruiting currently affiliated family day care providers.

This policy shall become effective February 1, 2004.

SOURCE: Indiana Department of Education, Division of School and Community Nutrition Programs.