

Food and Nutrition Service  
 3101 Park Center Drive  
 Alexandria, VA 22302

ACTION BY: Regional Directors  
 Special Nutrition Programs

SOURCE CITATION: S226.4(j)

Special Developmental Project Guidance  
 for the Child Care Food Program

I. PURPOSE

This instruction provides guidance for the initiation, development, review, approval, and monitoring of special developmental projects under the Child Care Food Program (CCFP) for which funds are made available under Section 10 of the Child Nutrition Act (CNA) of 1966. This instruction shall apply exclusively to CCFP Section 10 Projects. All other special developmental projects shall remain under FNS Instruction 781-6 for guidance purposes.

II. BACKGROUND

Under the authorizing legislation (P.L. 95-627) and regulations (7 CFR part 226) for the CCFP, administering State agencies may use an amount not to exceed one percent of Program funds used in the second prior fiscal year in carrying out special developmental projects. Since the public law, above, guarantees maximum per meal rates of reimbursement to institutions and that maximum per meal reimbursement rate is equal to the rate per meal at which States will receive assistance from the Secretary, funds for special developmental projects must be provided from sources above the level of funds available for apportionment to States. Therefore, the Child Care and Summer Programs Division (CCSPD) will retain final approval of all Section 10 proposals. Retention of the final approval authority by the CCSPD should maximize the amount of funds available by preventing the duplication of effort among potential project sponsors (see Sections V.D. and VI.D. of this instruction).

III. DEFINITION

Special developmental projects are pilot-type demonstrations that develop and test new methods or approaches to the management, organization, or operation of the CCFP. Such bona fide demonstration projects:

- A. must be consistent with Program regulations;
- B. are generally short term or 1 year projects except in those instances where multi-year involvement is inherent to the demonstration project;

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- C. have direct application to the CCFP;
- D. are not directly nutrition education oriented (although they may impact upon nutrition education and training);
- E. have results with potential applications beyond the immediate utility of the entities involved;
- F. must provide for a new or different type of activity rather than merely supplementing normal Program operations; and
- G. have the potential to influence legislation, regulations, instructions, or guidance materials.

IV. INITIATION AND TECHNICAL ASSISTANCE

A. Initiation of Proposals

The initiative for a project may come from local, State, or Regional levels. A project may be conducted by a Regional Office (RO) or State agency itself, or by qualified organizations within the State such as local schools, associations, or universities. If a project initiated by a local organization is approved, the State or RO shall arrange for conduct of the project through normal FNS contractual procedures as specified in FNS Instruction 240-5, Rev. 1, "Contractual Arrangements for Nutrition Training, Studies, and Developmental Projects." The project proposal (including the specifications as set forth in part V.A.2. of this guidance) may be submitted anytime during the year. Final approval of all proposals, as well as the approval of the final and interim reports, shall rest with the CCSPD.

B. Technical Assistance

The RO may serve as consultant to a State agency in the preparation of the proposal, providing technical guidance. Should assistance also be requested of the CCSPD, it will be provided (through the appropriate RO in the case of programs administered by State agencies).

V. STATE AGENCY PROPOSAL APPROVAL PROCEDURE

A. State agency proposal developments:

1. The State agency shall establish a Board of Review composed of qualified persons not involved in designing the project. This board would provide technical as well as policy recommendations to the official with the responsibility for signing the CCFP annual plan for the use of State administrative expense funds. A list of the Board of Review members and a contact telephone number should accompany the submitted proposal. (The purpose of this Board of Review is to have more than one person in the submitting agency knowledgeable about the project.)

2. At a minimum, each proposal for a special developmental project must include the following:
  - a. narrative statement describing the scope of the project;
  - b. objectives of the project;
  - c. method for conducting the project;
  - d. method for evaluating the project's level of achieving its objectives;
  - e. budget requirements, including specific line entries, and estimates of any joint effort by local, State, or Federal governments should also be included; and
  - f. time frames for the project.
- B. State agency submission of a proposal to the RO shall provide the following information to the RO in order to initiate funding approval for a developmental project:
  1. two copies of a list of persons on the Board of Review, including the contact phone number; and
  2. two copies of the project plan (see preceding Section V.A.2.).
- C. Regional Office review of State agency proposal shall ensure that the following conditions are met:
  1. The project is consistent with the definition of such projects as defined in Section III of this Instruction.
  2. All requirements listed in Section V.A.2. of the Instruction are included in the project plan.
  3. The project's costs, as outlined in the proposal's budget, are reasonable for the work to be accomplished.
  4. The RO shall make appropriate recommendations to the State agency if it is determined that clarification or modification of the project proposal is necessary. When satisfied that the project proposal meets the criteria in Section III and V.A.2., the FNSRO shall forward one copy to the CCSPD.
- D. CCSP Division's final disposition of State agency proposals:
  1. The CCSPD shall review all proposals and accompanying recommendations submitted through the RO from State agencies in order to:

- a. avoid unsolicited or undesired duplication of effort among potential project sponsors;
  - b. assess the potential Program benefits relative to the budgeted costs for the proposal in order to fairly obligate the available funds for Section 10 projects by maintaining a strict national overview of proposal submissions; and
  - c. determine whether the proposal meets the goals of Section 10 projects as established by the CCSPD in a memorandum each year, if such a memorandum is issued.
2. When the CCSPD finds a proposal:
    - a. consistent with the RO's review and recommendations;
    - b. feasible within the limits of available funds; and
    - c. consistent with current Program needs, the CCSPD may approve the project and provide Program funds for the project. Upon approval, funds will be placed in the State's Letter of Credit as a separate entry.
  3. The CCSPD will serve as a clearinghouse for information regarding special developmental projects. This shall include:
    - a. notifying State agencies and ROs conducting special developmental projects of similar or related subject matter where a sharing of information or cooperation could be beneficial; and
    - b. reviewing each final and interim report and taking appropriate action to disseminate the information contained therein including:
      - (i) distribution, where beneficial, of copies of reports and recommendations to all ROs;
      - (ii) incorporating project findings into Program regulations, instructions, training materials, and other Program documents.
- E. Reporting requirements for an approved State agency project shall include:
1. interim reports submitted by the State agencies, as determined to be necessary by the RO and/or Director of the CCSPD;
  2. a submission of one interim report by September 30 (or a date otherwise specified by the CCSPD) of each year for each year of the project if such a project is a multi-year effort;

3. final reports within 30 days of completion of project. Agencies submitting reports after this 30 day period should request, in writing, a deadline extension from CCSPD; and,
  4. if a State has delinquent interim or final reports due on previously funded Section 10 projects, the CCSPD may deny funding for new proposal submissions until such reports are submitted and approved.
- F. Regional Office monitoring of the State agency's progress in conducting an approved project should include:
1. At least one on-site visit to assess the project's progress. This visit should be determined by the nature and time frame of the project. If appropriate, this visit may be part of the management evaluation.
  2. Reviewing and forwarding to the CCSPD of any additional interim progress reports by the State agency as determined to be necessary by the Regional Administrator, Regional Program Director, and/or Director of the CCSPD, beyond that required in the preceding part V.E.
  3. Reviewing and forwarding to the CCSPD at least one interim report of any multi-year Section 10 project. These interim reports must be submitted by September 30, unless otherwise instructed, of each year the project is to be conducted. After reviewing all interim reports, the Regional Program Director will forward them to the CCSPD along with a review and comments regarding the progress of the project.
  4. Monitoring the State agency's financial management of the project to ensure that the expenditures for each developmental project are documented and properly accounted for and the State agencies report their expenditures for developmental projects by Program account in the appropriate space(s) on Standard Form 269, Financial Status Report, whenever this report is submitted.
  5. Follow-up with the State agencies to ensure that the final report is submitted after completion of the project. The RO will review this final report to:
    - a. Ensure that the State agency submits 3 copies of the final report as soon as it is practical after completion of the project. This report should be submitted no later than 30 days after completion of the project. State agencies submitting reports after this 30-day period should request in writing an extension from the RO.
    - b. Review the final report and forward 2 copies to the Director, CCSPD for Washington review. The RO's written review should, in effect, be the evaluation of the project's usefulness in achieving the goals of the proposal as stated in the application (V.A.2.).

VI. REGIONAL OFFICE PROPOSAL APPROVAL PROCEDURE

- A. Regional Office development of their proposal includes the following activities:
1. The Regional Office shall establish a Board of Review composed of qualified persons not involved in designing the project. A list of the Board of Review members and a contact telephone number should accompany the submitted proposal. This Board would provide technical as well as policy recommendations to the official charged with the responsibility for signing the annual plan for the State(s) to be included in the Section 10 project. (The purpose of this Board of Review is to have more than one person in the submitting Region knowledgeable about the project.)
  2. At a minimum the project plan must include the same elements listed under the "State Agency Proposal Approval Procedure", Section V.A.2. of this policy instruction.
- B. Regional Office submission of a proposal to the CCSPD shall provide 2 copies of the project plan.
- C. CCSPD review of the RO proposal shall ensure that the following conditions are met:
1. The project is consistent with the definition of such projects as defined in Section III of this Instruction.
  2. All requirements listed in Section V.A.2. of this instruction are included in the project plan.
  3. The project's costs, as outlined in the proposal's budget, are reasonable for the work to be accomplished.
- D. CCSPD final disposition of RO project submissions.
1. The CCSPD shall review all proposals in order to avoid project duplication, as well as fairly obligate our limited resources for such projects (see Section V.D.1.).
  2. After consulting with the RO the CCSPD may issue final approval to fund the project.
  3. The CCSPD will serve as a clearinghouse for information regarding specific developmental projects as indicated in Section V.D.3.
- E. Reporting requirements for an approved RO project shall include:
1. interim reports submitted by the RO as determined to be necessary by the RO and/or Director of the CCSPD;

2. projects that are multi-year efforts shall submit at least one interim report by September 30 (unless otherwise instructed) of each year for each year of the project;
3. final reports within 30 days of completion of project (ROs submitting reports after this 30-day period should request in writing a deadline extension from CCSPD); and
4. if an RO has delinquent interim or final reports due on previously funded Section 10 projects, the CCSPD may deny funding for new proposal submissions until such reports are submitted and approved.

F. CCSPD monitoring of RO's progress in conducting the project should include:

1. At least one on-site visit (may be performed by RO Board of Review member at the discretion of the Director, CCSPD) to assess the project's progress.
2. A review of any interim progress reports by the RO as outlined in Section VI.E.
3. Monitoring the RO's financial management of the project to ensure that the expenditures for each developmental project are documented and properly accounted for.
4. Follow-up with ROs to ensure that the final report is submitted 30 days after the completion of the project. The CCSPD will review the final report to:
  - a. Ensure that the RO submits 2 copies of the final report as soon as practical after completion of the project for Washington review. It is recommended that this report be submitted no later than 30 days after completion of the project. ROs submitting reports after this 30 day period should request in writing an extension from the CCSPD.
  - b. Review and approve the final report. CCSPD's written review should, in effect, be an evaluation of the project's usefulness in achieving the goals of the proposal as stated in the proposal. (See V.A.2.)

VII. SOLICITING OF PROJECTS BY THE CHILD CARE AND SUMMER PROGRAMS DIVISION

- A. Projects may be solicited by the CCSPD from State administering agencies or ROs where there is potential for a timely and meaningful result.

- B. Projects solicited from State administering agencies or ROs shall be conducted as if they originated from the solicited administering agency regarding the procedure for approval, since the CCSP Division has no in-house Program funds to promulgate a Section 10 project. These funds must be provided from the one percent add-on of Program funds as stipulated by current Program regulations.

VIII. FUNDING ALLOCATIONS

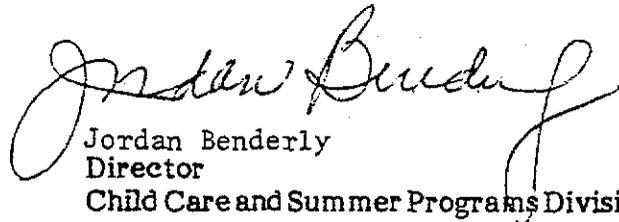
- A. Funding will be in three parts:

1. one-third at the initial approval of the project;
2. one-third after the management evaluations of the administering agency, which includes a review of the Section 10 project's progress, or after a separate assessment of the project's progress at its mid-point as determined by any required progress reports (whichever comes last). Unsatisfactory progress may be grounds for not releasing these funds.
3. one-third at the receipt and approval of the end-of-project report (final or interim, if project is multi-year). Reports will be reviewed against the project proposal (see V.A.2.).

- B. Multi-year projects shall be funded only for that part of the project (in terms of projected budget) that will be completed during the current fiscal year. The balance of such multi-year project funds will be paid as part of the following fiscal year's source of funding special developmental projects.

- C. CCSPD may grant exceptions to A and B, above, in cases of financial hardship.

- D. CCFP Section 10 funding (up to one percent) is based strictly upon the actual level of Program payments in the second preceding fiscal year.

  
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