Payment Integrity Scorecard

Program or Activity	Reporting Period	FY 2025 Overpayment Amount ($M)*	$312
Food and Nutrition Service (FNS) Child and Adult Care Food Program	Q4 2026		

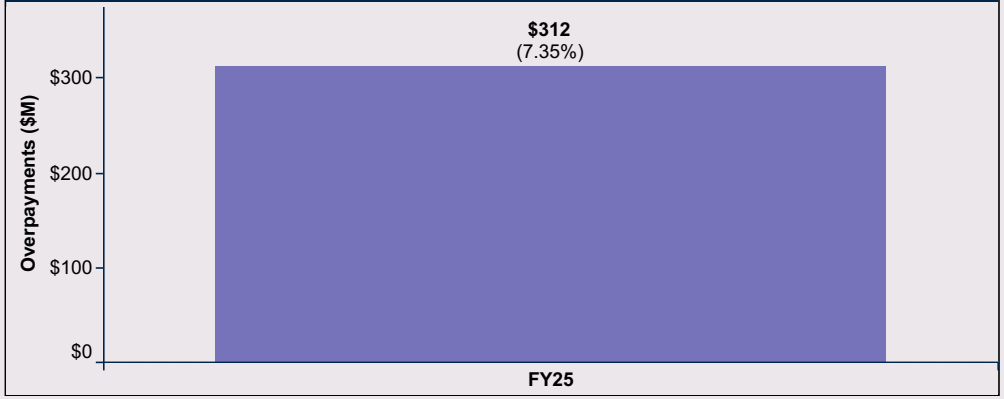
*Estimate based a sampling time frame starting 12/2015 and ending 1/2018

USDA
Food and Nutrition Service (FNS) Child and Adult Care Food Program

Brief Program Description & summary of overpayment causes and barriers to prevention:

USDA's Child and Adult Care Food Program (CACFP) provides federal reimbursement through the states to child care centers and family day care homes (FDCH). Sponsoring organizations are responsible for immediate oversight of providers. The states are responsible for overseeing CACFP sponsors. Centers certify children for program benefits through household applications. FDCHs primarily rely on community measures of poverty to identify eligibility at the facility level. Sponsor error in eligibility determination ("certification error") is a leading cause of IPs. A significant barrier is the decentralized nature of the program; USDA does not directly confirm individual children or day care home facilities for eligibility.

Historical Payment Rate and Amount ($M)
(Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

In the past quarter, FNA finalized data collection and analysis for the Area Eligibility Assessment Study, updating the measurements of error in area eligibility and tiering determinations. These measures are used to estimate certification error rates from incorrect tiering determinations for Family Day Care Homes and incorrect area eligibility determinations for At-Risk Afterschool Care centers, which factor into the overall improper payment rate estimate for CACFP. FNA also reviewed State agencies' applications for CACFP Integrity Technology and Innovation Grants, aimed at funding proposed IT projects to strengthen program integrity and reduce error. FNA will closely track the progress of each awardee's innovative IT project in the months ahead.

	Accomplishments in Reducing Overpayment	Date
1	FNA reviewed CACFP Integrity Technology Innovation Grant applications from multiple State agencies to fund information technology projects to strengthen CACFP integrity and oversight, improve data accuracy and edit checks, and modernize systems to enhance accountability.	Sep-26
2	FNA issued CACFP meal pattern training resources — including recorded webinars, slides, and worksheet materials — to help program operators meet meal pattern requirements. These resources will improve CACFP operations and alignment with the Dietary Guidelines for Americans.	Sep-26
3	FNA conducted an Area Eligibility Assessment Study for CACFP At Risk Centers and Day Care Homes, analyzing certification error for these components of the program. The resulting estimates will be incorporated into the overall CACFP improper payment rate.	Aug-26

Payment Integrity Scorecard

Program or Activity
Food and Nutrition Service (FNS) Child and Adult Care Food Program

Reporting Period
Q4 2026

	Goals towards Reducing Overpayments	Status	ECD
1	The agency completed work on the Area Eligibility Assessment Study, aimed at better measuring and improving program integrity. This updated research gives us better insight into root causes of error, which we use to inform improvements to our oversight and monitoring procedures.	Completed	Sep-26
2	The agency provides grants to administering CACFP state agencies to strengthen program integrity, including the CACFP Integrity Technology Innovation Grant. These grants are aimed at funding modern projects that will help improve program operations and oversight. The technology grant will support State agencies in developing and implementing modernized information technology systems that improve data accuracy, enhance oversight, and reduce error.	On-Track	Sep-26

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1		FNA has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process).	FNA has been granted a waiver for recovery of overpayments due to the nature of the program (i.e., State level administration, where States distribute reimbursements to program operators who submit claims and for monitoring and oversight of the claims submission process).

Amt($)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$312M	Overpayments that occurred because of a Failure to Access Data/Information Needed.	Certification relies on reporting by household applicants in centers and relies partially on local poverty data (Census and school data) in homes. Both processes are manual and depend on program operators. These data are locally maintained and are not shared with FNA.	Automation - automatically controlled operation, process, or system.	States monitor the operations of CACFP providers and sponsors in routine records-based and on-site reviews. USDA is providing resources for States to improve their systems and increase integrity in program operations.