

**Guidance for Local Agencies on 60-Day Claim Submission Requirements
for Child Nutrition Programs
SUMMARY**

(Agriculture Appropriations Act of 1983, P.L. 97-370)

Final Claim is the most recent claim for reimbursement for a specified claim month (including any adjustments) that was submitted within the established timeframes and is eligible for payment.

Final Reimbursement Claim Submission Deadline – 60 Days

Program regulations specify that a final claim for reimbursement shall be postmarked and/or submitted by the Local Agency (LA) to the State Agency (SA) **not later than 60 days following the last day of the full month covered by the claim**. Claims not postmarked and/or submitted within 60 calendar days shall not be paid with program funds unless FNS determines that an exception should be granted or is otherwise authorized by FNS. After the 60-day claim deadline, the data submitted for the claim month is considered final and may only be revised under circumstances listed below.

Adjustments and Exception Requests when LA is In Compliance

- a) Late claims when the reason resulted from circumstances beyond the control of the LA
A LA may request an exception for failing to submit or failing to revise a claim(s) within the 60-day deadline when the reason for the request resulted from circumstances beyond the LA's control. The LA may request as many exceptions, as needed, if the situation was beyond their control.

If the LA feels the circumstances were beyond its control, it must submit to the SA an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements. If the SA deems the LA request warrants consideration, the SA will submit to the FNSRO an exception request, submitted separately for each program.

Note: IN CACFP or SFSP only, a LA may appeal a SA's decision not to forward a late claim or revised claim to the FNSRO for an exception consideration. However, an LA will not be permitted to appeal a FNSRO's decision to deny the use of an exception.

- b) Adjustments from audits or SA reviews
The LA may request a revision to a claim(s) that was submitted on time when an audit or SA review discloses overclaims or underclaims which appear to be warranted after a review of the circumstances by the SA. The SA has the authority to grant this approval if the claim falls within three years of the current fiscal year. **Any audit/review adjustments beyond this three year time frame require submission of an exception request to the FNSRO.**
- c) Adjustments Initiated by the SA
The SA may direct the LA to adjust a claim if the SA discovers an error or omission during its claim review process. An upward adjustment may only occur if 1) the LA submitted the claim within the 60-day deadline and 2) the LA is able to revise its claim in time for the SA to submit its final report within the 90-day deadline.

Adjustments and Exception Requests when the LA is Out of Compliance

a) Downward Adjustments

The LA must submit to the SA revised final claims when it wishes to make overall downward adjustments to its claim. Downward adjustments may be made at any time. No exception request is needed and the SA has the authority to make the downward adjustment.

However, the LA must submit to the SA an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements. The explanation must include each reason for a downward adjustment causing a return of funds to FNS. If the LA repeatedly adjusts its claims downward after the 60-day submission deadline, a CAP may be required by the SA. Payments may also be withheld until procedures have been implemented for the LA to produce an actual final claim each month.

b) No Change in Reimbursement

The LA must submit to the SA revised final claims if it determines that meals were improperly categorized or other non-meal data was in error when changes to meal categories or data do not result in the dollar value of the claim.

However, the LA must submit to the SA an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements. If the LA repeatedly requests this change, a CAP may be required by the SA. Payments may also be withheld until procedures have been implemented for the LA to produce an actual final claim each month.

c) One-time exception for the submission of a late original or revised claim that results in an increase to the amount of reimbursement

The LA may request approval for a one-time exception every 36 months for one monthly original or revised claim submitted after the 60-day deadline that results in increased reimbursement when the lateness is due to reasons within the control of the LA.

The LA must submit a CAP to correct the conditions that led to the lateness of the claim, which include the following:

- an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements, including each reason for an upward adjustment;
- Actions to be taken to avoid any future late claim submission from the same or other causes;
- A statement that the LA understands that the one-time exception is only available once in a 36-month period for each Child Nutrition Program for circumstances within its control; and
- A signature of the LA's designated official or other senior level as specified by the SA.

The SA has the discretion to determine if the 36 months begins with the claim month or approval date but the decision must be consistent for all programs administered by the SA and be documented by SA written policies and procedures. The SA has discretion to approve one-time exceptions without consulting the FNSRO.