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## Scratch Cooking Pilot Program: Reimbursement Incentive Grant - FY27

### Program Overview

The Early Childhood Education and Care Department (ECECD) Scratch Cooking Pilot Program aims to promote healthier meal preparation practices in child and adult day care centers by providing financial support and public recognition. This Reimbursement Incentive Grant will award organizations an additional reimbursement of \$0.65 per lunch meal served under the Child and Adult Care Food Program (CACFP), provided they meet scratch cooking criteria. Awarded organizations will also receive a “Scratch Cooking Nutrition Badge” to advertise their commitment to serving nutritious, fresh meals.

Although participation in the New Mexico Grown (NM Grown) local food purchasing program is not required under the Pilot Program, NM Grown is aligned with the Pilot Program’s goals. Awarded Organizations already purchasing foods grown in New Mexico—or those interested in exploring local procurement—may leverage these foods to support scratch cooking. Optional technical assistance, training, and resources will be available.

### I. **Eligibility Criteria:** To qualify for the Reimbursement Incentive, applicants must:

- a. Have an active Cooperative Agreement in place with ECECD (or operate under a sponsoring organization that has a Cooperative Agreement with ECECD) and a CACFP EPICS account.
- b. Applicant must be an independent child or adult care institution, or unaffiliated child care center. Home providers are not eligible for the Scratch Cooking Pilot Program at this time.
- c. Be actively participating in CACFP and serving Lunch meals.
- d. Operate as a self-prep food service in a permitted kitchen that is either on site or located at a central kitchen.

### II. **Criteria for Selection and Participation in the Scratch Cooking Pilot Program**

- a. Applicants must submit an application.
- b. Applicants must submit menus and recipes that meet the criteria for scratch cooked/freshly prepared meals. This is defined as:
  - i. At least 50% of each meal component (other than milk) for all meals is freshly prepared weekly, either using scratch cooking or speed scratch cooking methods:
    - 50% of Grains
    - 50% of Meat or Meat Alternate
    - 50% of Fruits
    - 50% of Vegetables
  - ii. “Scratch Cooking” refers to the practice of preparing food items from raw, whole ingredients rather than using pre-packaged or processed products (food components served are either fresh and raw, made from fresh unprocessed products, or are a shelf-stable, canned, or frozen ingredient that is used in a scratch cooked item or dish).

- This typically involves techniques such as chopping, measuring, and mixing ingredients, rather than relying on pre-made mixes or prepared ingredients. The goal of scratch cooking is to create meals with whole foods that are fresher, healthier, and often more flavorful than those made with pre-packaged or processed ingredients.
- iii. "Speed Scratch Cooking" is a form of cooking that incorporates cooking blends or ready-made components and fresh ingredients (e.g. dry pasta for noodle dishes, multi-purpose mixes for biscuits or pancakes, bread dough for pizza, beef crumbles in lasagna, tortillas in enchiladas, etc.).
  - This method offers flexibility, time savings, and labor cost savings. The Scratch Cooking Pilot Program focuses on improving the nutritional value of meals, which results in the selective use of ready-made components to improve quality, flavor, and nutritional value.
- iv. "Heat and serve" options will not qualify towards the freshly prepared meal component.
- v. Awarded organizations may choose to incorporate NM Grown products as part of meeting these requirements.
- c. Applicants must have a permitted kitchen (on-site or central kitchen) that is equipped to facilitate scratch cooking (e.g. a 3-compartment sink, stove, oven, refrigeration equipment, freezer, etc.).
- d. Applicants must have trained and/or experienced kitchen personnel and have or intend to implement scratch cooking meal preparation practices if selected for participation in the Scratch Cooking Pilot Program.
- e. Applicants must submit an explanation of their commitment to nutrition and program goals.
- f. Applicants must provide menus & recipes that clearly meet scratch cooking standards.

### III. **Distribution of Reimbursement Incentive Funds**

- a. Awarded organizations will receive \$0.65 in addition to their CACFP reimbursement for each eligible scratch-cooked lunch submitted as part of their CACFP claim for reimbursement.
- b. Lunch meal totals will be tracked by the ECECD Family Nutrition Bureau (FNB). Awarded organizations will receive an additional \$0.65 for each eligible lunch claimed for the month. Totals will be calculated by the financial unit of FNB and paid out under the special payments function of EPICS.

### IV. **Family and Parent Engagement Verification**

Engaging families is essential for understanding how scratch-cooked meals support young children's well-being, cultural needs, and food acceptance. Including family voice and teacher observations is expected as part of participation in the program. Awarded organizations must implement **at least two** family or child feedback strategies each program year.

**Approved Family/Parent Input Options awarded organizations may choose from:**

- a. Family Satisfaction Surveys or Polls
  - Example: Simple (3–5 questions), paper or digital survey form asking about the family’s satisfaction with the organization’s food service.
  - Can include satisfaction, cultural preferences, food requests
- b. Family Focus Groups
  - In-person or virtual discussions held once or twice per year
- c. Comment Cards or a Menu Feedback Box
  - Example: Located in the lobby or entrance; reviewed during verification visits
- d. Menu Previews with Family Input
  - Example: Share upcoming menus and invite suggestions or requests
- e. Simple Child-Friendly Feedback Tools
  - Example: For preschoolers: pointing to smiley faces to indicate “liked,” “okay,” “didn’t like”
  - Example: Staff record indicators such as enthusiasm, refusal, facial expressions, amount eaten/amount of plate waste

V. **Verification of Intended Outcomes**

- a. Food Security Coordinator and/or CACFP Compliance Officers within ECECD FNB will conduct verification visits at least once during the year to ensure that awarded organizations are adhering to the criteria for the scratch cooking certification and designation.
- b. CACFP Compliance Officers will also review menus, meal service, and family engagement strategies during any program reviews conducted at awarded organizations to ensure that awarded organizations are following the requirements for meeting the scratch cooking designation.
- c. Family Engagement Verification: During the verification visit, FNB will review documentation from any of the chosen family engagement methods (e.g., survey summary, observation notes, comment cards). Awarded organizations should keep documentation on file at their center for review by FNB staff.
  - i. Awarded organizations must publicly advertise to families how they are integrating scratch cooking efforts and soliciting family feedback.
  - ii. Awarded organizations are encouraged to integrate scratch cooking activities and lessons into the required monthly CACFP Nutrition Education activities.
  - iii. Awarded organizations are encouraged to include and/or invite family members to join for these activities. Organizations struggling to implement feedback strategies will receive technical assistance.
- d. Non-Compliance and Recoupment Process (3 Steps)
  - i. *Support & Technical Assistance: (Ongoing August to May)*  
Awarded organizations not meeting the scratch-cooking criteria will receive targeted technical assistance, which may include help with implementing family engagement strategies, adjusting menus and recipes, or integrating NM Grown items.
  - ii. *Follow-Up Verification (30–90 Days):*  
FNB conducts a follow-up review of menus, meal service, and family engagement methods to confirm progress within 30-90 days of targeted technical assistance. Awarded organizations still not meeting

requirements will receive a written notice outlining remaining issues and a final deadline for correction.

iii. *Recoupment & Eligibility Actions:*

If the awarded organization does not come into compliance by the final deadline set by ECECD FNB, ECECD FNB may recoup incentive funds for non-compliant meals. ECECD FNB may suspend or remove the organization from the Pilot Program, which could affect eligibility for future incentive programs.

VI. **Optional Integration of New Mexico Grown**

Scratch cooking naturally aligns with the goals of the New Mexico Grown local food purchasing program. See Section VIII below, for more information about participating in the NM Grown Grant. If Scratch Cooking Pilot awardees are interested in integrating NM Grown, they may opt to access:

- Menu-planning support featuring seasonal NM grown ingredients
- Procurement coaching, including how to work with farmers on the NM Grown Approved Supplier List
- Scratch-cooking recipes adapted for early childhood using foods grown in New Mexico
- Connections to local farmers, food hubs, or cooperatives
- Support in applying for NM Grown funds, if interested and eligible

VII. **Additional Information about Integrating New Mexico Grown Grant with Scratch Cooking**

New Mexico Grown (NM Grown), administered by ECECD along with other state agencies, is a state-funded program that helps early childhood and adult day care centers purchase fresh, locally grown and raised foods from New Mexico farmers, ranchers, and food businesses. Website: <https://newmexicogrown.org/>.

- The program supports:
  - Healthier meals for young children
  - Connections to New Mexico culture, food traditions, and agriculture
  - Economic opportunity for local farmers and small food producers
- Products purchased through NM Grown come from vendors on the New Mexico Grown's Approved Supplier List, searchable by county and product. Because these foods are often harvested just before delivery, they typically last longer and taste fresher than produce delivered from large distributors.
- **The NM Grown application opens late winter/early spring. All organizations participating in CACFP will be emailed when the grant application opens.** Organizations can apply for NM Grown funds through ECECD. Funds can be used to purchase items such as:
  - Fresh vegetables (lettuce, tomatoes, squash, cucumbers, carrot, etc.)
  - Fresh fruits (melons, apples, peaches, etc.)
  - Beans, cornmeal, beef, pork, and other foods grown in New Mexico

- **How NM Grown Supports Scratch Cooking:** foods grown in New Mexico are ideal for scratch-cooked meals because:
  - They are minimally processed
  - They help organizations prepare culturally relevant and traditional New Mexican dishes
  - Seasonal items can be easily incorporated into weekly or monthly menus. Examples include:
    - Local squash in calabacitas
    - Local cabbage in coleslaw
    - Local green chile, pork, and hominy in green chile posole
    - Local vegetables in stir-fries or stews
    - Fresh melons or apples as fruit offerings
- Participation in NM Grown is optional, but encouraged for the Scratch Cooking Pilot, but organizations already using New Mexico Grown foods may find it easier to meet the scratch-cooking criteria. New organizations can also benefit from optional training and support on using fresh, locally grown ingredients in early childhood meals. Contact [nmgrown@eeced.nm.gov](mailto:nmgrown@eeced.nm.gov) for more information.

#### Scratch Cooking Pilot: Reimbursement Incentive Application Scoring Criteria

| Category                                  | Description                                                                                                             | Points |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------|
| Meal Service Details / Kitchen Capacity   | Has adequate facilities and equipment to support scratch cooking                                                        | 15     |
| Scratch Cooking Commitment                | Has trained and/or experienced kitchen personnel and meal preparation practices that support scratch cooking techniques | 15     |
|                                           | Clear plan for incorporating and sourcing fresh ingredients                                                             | 10     |
|                                           | Strong vision for implementing or expanding scratch cooking                                                             | 15     |
| Commitment to Nutrition and Program Goals | Provides strong rationale for participation and alignment with program objectives                                       | 10     |
|                                           | Clear plan for how extra funding will support scratch cooking innovation and long-term implementation                   | 15     |
|                                           | Realistically identifies obstacles and challenges and has a plan for overcoming them                                    | 10     |
| Document Uploads                          | At least 3 menus & recipes that clearly meet scratch cooking standards                                                  | 10     |
| Total Possible Points                     |                                                                                                                         | 100    |

Applicants must receive a score of 50 or above to be considered for an award. Awarded organizations will receive an additional \$0.65 per lunch served, not to exceed a maximum award of \$60,000 per year.

### **Scratch Cooking Pilot Grant Timeline**

| <b>Date Range</b>   | <b>Activity</b>                                                                       |
|---------------------|---------------------------------------------------------------------------------------|
| July 6 – July 24    | Program announcement and application period                                           |
| July 27 – August 15 | Application review and scoring by FNB staff                                           |
|                     | Evaluation of menus by Nutrition staff                                                |
|                     | Selection of Awardees based on projected meal volume                                  |
| Sept.1 – May 31     | Incentive payments processed monthly via EPICS (additional \$0.65 per eligible meal). |
| Sept. – May         | Verification visits by Food Security Coordinator & FNB Compliance Officers            |
|                     | Scratch Cooking Badge awarded to organizations meeting compliance                     |
|                     | CACFP Compliance reviews and technical assistance as needed                           |

### **APPLY NOW: Application to Participate in the Scratch Cooking Pilot: Reimbursement Incentive Grant**

#### **ALL GRANTEES MUST AGREE TO THE FOLLOWING:**

##### **Fund Accountability**

The Grantee shall provide a strict accounting of all monies issued. The Grantee shall maintain fiscal records, follow generally accepted accounting principles, and account for all receipts and disbursements of funds transferred to the Grantee pursuant to this Grant. The Grantee will include an account of all monies made subject to this Grant in an annual audit and will provide ECECD with a copy of the annual audit. The Grantee shall be in good standing with all of contractual, fiscal, and reporting requirements to be eligible for all fiscal years covered under this award, if applicable.

##### **Maintenance of Records**

The Grantee shall maintain detailed time and expenditure records that indicate the date, time, nature and cost of services rendered during the Grant's term and effect and retain those records-for a period of three (3) years from the date of final payment under this Grant. The records shall be subject to inspection by ECECD, the New Mexico General Services Department/State Purchasing Division and the State Auditor. ECECD shall have the right to audit billings both before and after payment. Payment under this Grant shall not foreclose the right of ECECD to recover excessive or illegal payments.

##### **Confidentiality**

Any and all confidential information provided to or developed by the Grantee in the performance of this Grant shall be kept confidential and shall not be made available to any individual or organization by the Grantee without the prior written approval of ECECD.

##### **Amendment**

- A. This Grant shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.
- B. If ECECD proposes an amendment to the Grant to unilaterally reduce funding due to budget or other considerations, the Grantee shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Grant, pursuant to the termination provisions as set forth in "Termination below, or to agree to the reduced funding.

##### **Assignment**

The Grantee shall not assign or transfer any interest in this Grant or assign any claims for money due or to become due under this Grant without the prior written approval of ECECD.

**Subcontractors**

The Grantee shall not subcontract any portion of the services to be performed under this Award without the prior written approval by the Agency Secretary or Designee. No such subcontract shall relieve the primary Grantee from any obligations and liabilities under this Award, nor shall subcontract obligate direct payment from ECECD. The Grantee must notify subcontractors that they are subject Maintenance of Records of this Grant.

**Applicable Law**

The laws of the State of New Mexico shall govern this Grant. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, § 38-3-1(G). By execution of this Grant, Grantee acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Grant.

**Acquisition of Property**

The parties agree that neither party shall acquire any property as the result of this Grant, unless approved by ECECD or defined in the scope of work, and under \$5,000.00 for each piece of equipment.

**Liability**

Each party shall be solely responsible for fiscal or other sanctions occasioned as a result of its own violation or alleged violation of requirements applicable to the performance of the Grant. Each party shall be liable for its actions according to this Grant subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, § 41-4-1, et. seq., as amended.

**Execution of Documents**

ECECD and the Grantee agree to execute any document(s) necessary to implement the terms of this Grant.

**Equal Opportunity Compliance**

The Grantee agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Grantee assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation, or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Grant. If Grantee is found not to follow these requirements during the life of this Grant, Grantee agrees to take appropriate steps to correct these deficiencies.

**Workers Compensation:**

The Grantee agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Grantee fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Grant may be terminated by ECECD.

**New Mexico Employees Health Coverage (Governmental entities are excluded from this provision):**

- A. If Grantee has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the Grant, Grantee certifies, by signing this award, to have in place, and agrees to maintain for the term of the Grant, health insurance for those employees if the expected annual value in the aggregate of any and all Grant between Grantee and the State exceed \$250,000 dollars.
- B. Grantee agrees to maintain a record of the number of employees who have: (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the State of New Mexico.
- C. Grantee agrees to advise all employees of the availability of State publicly financed health care coverage.

**Background Checks:**

Grantees that have or could have primary custody of children for at least twenty hours per week are required under NMSA 1978, § 32A- 15-1, et seq.; NMSA 1978 § 9- 29-8 (H); NMAC 8.8.3, et seq. and other applicable regulations to have background checks completed on all operators, employees, staff member, volunteers, or

student interns. All Information Technology (IT) Grantees are also required to undergo a background check. The Grantee must comply with the fingerprint based criminal background investigation process, as per current ECECD policy. The applicant for the background check is required to pay all related fees. Nationwide as well as state abuse and neglect background checks on required individuals will be conducted in accordance with NMAC 8.8.3 and all other applicable state and federal regulations and standards. An eligibility letter must be in the IT Grantee, Grantee operator, employee, staff member, volunteer or student intern's personnel file prior to that individual having access to data or having any direct contact with children participating in programs delivered by ECECD or any Grantee providing services for the ECECD.

#### **Health Insurance Portability and Accountability Act of 1996:**

The Contractor agrees to comply with the Health Insurance Portability and Accountability Act of 1996.

#### **Termination**

- A. Termination:** ECECD may terminate this Grant for convenience or cause. The Grantee may only terminate this Grant based upon the ECECD's uncured, material breach of this Agreement.
- B. Notice and Opportunity to Cure.**
  - a) ECECD shall give the Grantee written notice of termination at least thirty (30) days prior to the intended date of termination.
  - b) The Grantee shall give ECECD written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall: (i) identify all the Department's material breaches of this Grant upon which the termination is based; and (ii) state what ECECD must do to cure such material breaches. Grantee's notice of termination shall only be effective: (a) if ECECD does not cure all material breaches within the thirty (30) day notice period; or (ii) in the case of material breaches that cannot be cured within thirty (30) days, ECECD does not, within the thirty (30) day notice period, notify the Grantee of its intent to cure and begin with due diligence to cure the material breach.
  - c) The Grant may be terminated immediately upon written notice to the Grantee: (a) if the Grantee becomes unable to perform the services contracted for, as determined by the ECECD; (ii) if, during the term of this Grant, the Grantee is suspended or debarred by the State Purchasing Agent; or (iii) the Grant is terminated pursuant to, "FUNDING", of Section III.
- C. Liability:** Except as otherwise expressly allowed or provided under this Grant, ECECD's sole liability upon termination shall be to pay for acceptable work performed prior to the Grantee's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Grant. The Grantee shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE ECECD'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE GRANTEE'S DEFAULT/BREACH OF THIS GRANT OF AWARD.
- D. Termination Management:** Immediately upon receipt by either ECECD or the Grantee of notice of termination of this Grant, the Grantee shall: (1) not incur any further obligations for salaries, services or any other expenditure of funds under this Grant without written approval of ECECD; (2) comply with all directives issued by ECECD in the notice of termination as to the performance of work under this Grant; and (3) take such action as ECECD shall direct for the protection, preservation, retention or transfer of all property titled to the Department and records generated under this Grant. Any non-expendable personal property or equipment provided to or purchased by the Grantee with contract funds shall become property of ECECD upon termination and shall be submitted to the ECECD as soon as practicable.