

# Late Claim Policy

Claims are to be submitted by the 15th of each month in order to be paid timely. Per USDA Regulations: Claims must be submitted no more than 60 days following the report month for the submission of an original claim. There are limited exceptions as outlined below.

## Adjustment and Exception Requests

1. Late claims when the reason resulted from circumstances beyond the control of the School Food Authority (SFA) – The SFA may request an exception for failing to submit or failing to revise a claim(s) within the 60 day deadline when the reason resulted from circumstances beyond the SFA's control. Such situations would include, but are not limited to, a natural disaster, fire, flood, vandalism of records, and serious illness or injury of the person responsible for submitting the report. The SFA may request an exception for one or more monthly claims.  
The SFA must submit to the State Agency (SA) an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements. The request must be in sufficient detail to enable the SA and Food and Nutrition Services Regional Office to make a fair decision.
2. Adjustments from audits or SA reviews – The SFA may request a revision to a claim(s) that was submitted on time when an audit or SA review discloses overclaims or underclaims. The SFA may request a revision for one or more monthly claims.
3. Adjustments Initiated by the SA – The SA may direct the SFA 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 SFA submitted the claim within the 60 day deadline and 2) the SFA is able to revise the claim in time for the SA to submit its final report within the 90 day deadline. Downward adjustments can be made regardless of when it is determined the adjustment is necessary.

## Adjustment and Exception Requests after the 60 day deadline:

1. Downward Adjustments – The SFA 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.
2. No Change in Reimbursement - The SFA must submit to the SA an explanation in writing describing the events and circumstances that prevented compliance with claim submission requirements.
3. One-time exception for the submission of a late original or revised claim that results in an increase to the amount of reimbursement – The SFA may request a revision for only one monthly claim. If the request covers multiple months, only one month can be paid.  
The SFA 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 an upward adjustment causing an amount due to the SFA.  
The SFA must also submit a corrective action plan (CAP) to correct the conditions that led to the lateness of the claim. A CAP must be submitted in sufficient detail to demonstrate that completion of the actions to be taken by the SFA will ensure its future compliance with the requirements. The SA must require the SFA submit a CAP that includes:
  - actions to be taken to avoid any future late claim submission from the same or other causes;
  - a statement that the SFA understands that the one-time exception is only available once in a 36 month period; and
  - a signature of the SFA's authorized representative.