

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



June 13, 2001

ALL COUNTY INFORMATION NOTICE I-47-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

SUBJECT: ELIGIBILITY EXPANSION OF THE CHILD AND ADULT CARE FOOD PROGRAM (CACFP) TO PROPRIETARY CHILD CARE CENTERS

This is to inform counties of recent changes that allow proprietary (for-profit) child care centers serving low-income children to participate in the Child and Adult Care Food Program (CACFP).

CACFP is a federal program that provides low-income families with healthy meals and snacks in adult and child care facilities. In California, the California Department of Education (CDE) Nutrition Services Division administers the CACFP program. CACFP reimburses participating child care providers for a portion of their meal costs and provides them with USDA commodity food and nutrition education materials.

Under federal law, public or private non-profit child care centers and family child care providers are eligible to participate in the CACFP and be reimbursed based on the income level of the families they serve. In the past, proprietary child care centers could participate only when at least 25% of their enrollment or licensed capacity were subsidized through Title XX funding. Because California has not used Title XX for subsidized child care funding, proprietary child care centers could not participate.

Two recent legislative changes at both state and federal levels allow proprietary child care centers to participate in CACFP:

The 2000-01 California State Budget Act

According to the USDA guidelines, states that do not use Title XX in their child care funding may 'pool' some of their Title XX money with their existing federal child care funding to provide eligibility for the CACFP. The Budget Act of 2000 allows the Department of Finance to approve requests for funding shifts that would facilitate Title XX pooling.

To provide more low-income children with nutritious meals, the Department of Social Services and CDE have requested and received approval for the Title XX funds to be pooled with CalWORKs Stage One child care, and CDE federally funded Alternative Payment Program (APP) contracts, including CalWORKs Stage Two and Three child care programs.

This provides potential eligibility for proprietary centers serving subsidized children to participate in CACFP.

The Federal Consolidation Appropriation Act of 2001

At the federal level, the Consolidation Appropriation Act of 2001 allows proprietary centers to participate in the CACFP if 25% of their children qualify for free and reduced price meals according to the USDA income guidelines. This provides eligibility for children from low-income families with household income below 185% of federal poverty level, regardless of whether the children are on subsidized child care or not. However, this provision will expire September 30, 2001. It is not certain whether Congress will renew this provision for the next federal fiscal year.

Given these changes, proprietary centers may select one of two options to participate in the CACFP. Attached with this ACIN is a letter from CDE dated February 2, 2001 notifying proprietary centers of their options to participate in the CACFP. Proprietary child care centers interested in the CACFP program should contact John Copley in the Nutrition Services Division, CDE, at (916) 323-6631 for questions or an application.

If your county contracts out CalWORKs Stage One child care program to a different agency, please forward this letter and the attached CDE letter to your Stage One contractor.

If you have questions on CalWORKs Stage One child care, please call your analyst at the Child Care Programs Bureau. Any questions on the CACFP program should be referred to John Copley in the CDE Nutrition Services Division at (916) 323-6631.

Sincerely,

*Original signed by
Jo Weber on 6/13/01*

JO WEBER, Chief
Work Services and Demonstration Projects Branch

Attachment



DELAINE EASTIN
State Superintendent of Public Instruction

CALIFORNIA
DEPARTMENT
OF
EDUCATION

21 Capitol Mall

PO Box 3000

Sacramento, CA

95831-3000

February 2, 2001

Dear Proprietary Center:

The Child and Adult Care Food Program (CACFP) provides supplemental cash reimbursement so that child care agencies may serve better quality food to the children under their care. For the first time in California, proprietary (for profit) child care centers may participate in the CACFP.

Two legislative changes made this participation possible:

- **The 2000-01 California State Budget Act:** The California Department of Education received Title XX funds for distribution to its contract and alternative payment child care centers. As a result, proprietary centers are potentially eligible for the CACFP under the Title XX provisions of the program regulations.
- **The Federal Consolidated Appropriation Act of 2001:** Proprietary centers may participate in the CACFP, if 25 percent of their children qualify for free or reduced price meals according to the income eligibility guidelines of the United States Department of Agriculture (USDA).

Proprietary centers may select one of two options in order to participate in the CACFP, Title XX or Free or Reduced Price Eligibility:

- **Title XX:** If a proprietary center chooses the Title XX option, it must document and certify that at least 25 percent of the center's enrolled children or 25 percent of the center's licensed capacity, whichever is less, are Title XX beneficiaries. When approved to participate, a center may claim monthly meal reimbursement only if it meets the 25 percent threshold on a monthly basis. Thus, approval for participation does not guarantee monthly reimbursement for meals served. To meet the 25 percent threshold, a center may use billing or remittance documentation.

- **Free and Reduced Price Eligibility:** If a proprietary center selects the free and reduced price option, the center must document that at least 25 percent of its enrollment or licensed capacity, whichever is less, are eligible for free or reduced price meal reimbursement according to USDA's income eligibility guidelines. As with the Title XX option, the center must meet the 25 percent eligibility threshold on a monthly basis in order to file a monthly reimbursement claim. Again, approval for participation does not guarantee monthly reimbursement for meals served. **Please note: The Consolidated Appropriation Act of 2001 has approved this option only until September 30, 2001, meaning that a proprietary center may utilize it only until that date.** We have enclosed a sample eligibility application and the eligibility guidelines for the current program year.

Please complete the enclosed application and attach the requested documents. If you have questions, you may contact John Copley, a NSD Program Analyst, at (916) 323-6631, (800) 952-5609, or jcopley@cde.ca.gov.

Welcome *to* the Child Care Food Program. We look forward to working with you for the benefit of California's children.

Sincerely,

Marilyn Briggs, Director
Nutrition Services Division
Assistant Superintendent of Public Instruction