

# CACFP Administrative Handbook

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## 9. Enrollment and Income Eligibility

The United States Department of Agriculture (USDA) bases CACFP reimbursement for centers on three categories: free, reduced price and paid. To qualify for the free or reduced price categories, a family must meet the income level and household size specified on the Income Eligibility Guidelines, located at [www.kn-eat.org](http://www.kn-eat.org), *Child & Adult Care Food Program, Forms, Income Eligibility*. Income Eligibility Guidelines are adjusted annually by USDA and are effective July 1 through June 30. To evaluate income levels and household size, information must be collected on the Enrollment & Income Eligibility Form (E/IEF). The form must be copied exactly as provided, except the center's name may be inserted in the header area of the form. The form must be completed using the instructions provided. E/IEF is current only for one year from the month they are determined by the center official. KSDE distributes Income Eligibility Guidelines and Enrollment & Income Eligibility Forms prior to July 1 of each year.

Enrollment & Income Eligibility Forms shall be retained on file for at least three CACFP Years plus the current year. Any issues that compromise these records must be reported promptly to KSDE.

### Child Care Center

#### Enrollment

All children who attend a center participating in CACFP must have an enrollment form on file to be claimed for meals. Excluded from the enrollment form requirement are emergency shelters, outside school hours child care sites, and sites that are solely At-Risk Afterschool Meals.

Enrollment forms must contain the following items: child's name, date of birth, normal days and hours of care, normal meals received during care, ethnicity and race information, and parent's (or guardian's) signature, date, and parent/guardian contact information.

A **new enrollment form** must be completed by the parent/guardian (not by the caregiver) each year. The forms should be completed during a regular, annual interval. A center has the following options:

1. Use the Child Care Center Enrollment & Income Eligibility Form, located at [www.kn-eat.org](http://www.kn-eat.org), *Child & Adult Care Food Program, Forms, Income Eligibility* **or**
2. Use the CACFP Enrollment Form (9-A), **or**
3. Use the center's current enrollment form. If the center has a current form/process that contains the items required for CACFP and is updated annually, contact your Consultant for approval of the form/process.

If a child does not have an enrollment form on file or if the enrollment form is expired (over 1 year old), the child cannot be claimed for reimbursement.

## Income Eligibility

Income categories of children are determined by information submitted on the Child Care Center Enrollment & Income Eligibility Form (E/IEF), located at [www.kn-eat.org](http://www.kn-eat.org), *Child & Adult Care Food Program, Forms, Income Eligibility Forms*. By using this information, children are determined to be eligible for free, reduced price, or paid meals in the CACFP. The information contained in the E/IEF is confidential and protected by the National School Lunch Act. KSDE recommends that the sponsor develop a local policy to not disclose eligibility information and keep the policy on file with the CACFP records. For any other disclosure policy, contact KSDE for guidance. Unauthorized disclosures may result in a fine of not more than \$1,000 or imprisonment of not more than one year, or both.

The E/IEF must be given to all households if any participants are counted in the free or reduced price categories. A current E/IEF must be on file for participants reported in the free or reduced price category.

The following information is included on the E/IEF for Child Care Centers:

### Part 1. Child Enrollment

Each family must list the name(s), birth date(s), normal times of care, normal days of care, normal meals received by the child(ren) enrolled at the center, and the child's ethnicity and race. Parents/guardians have the option to indicate the ethnicity and race of each child. If the parent/guardian chooses not to provide this information the site representative must complete this portion to the best of their ability, initial and date their determination. Ethnicity and race is the only section not required to be completed by the parent/guardian. If a child has a nickname, the nickname should be listed with the birth name for clarification purposes.

If the child enrolling is a foster child, the last column in this section will be marked. A foster child is a child who is formally placed by a court or a State child welfare agency. All foster children are automatically counted in the free category.

### Part 2. Households receiving benefits from the FAP, TAF, or FDPIR

Food Assistance Program (FAP), Temporary Assistance to Families (TAF), and Food Distribution Program on Indian Reservations (FDPIR) are programs that allow a child to be categorically eligible for CACFP reimbursement. A child for whom FAP, TAF or FDPIR is received is automatically counted in the free category when the household provides a current Food Assistance, TAF, or FDPIR case number on the E/IEF. FAP and TAF case numbers are 8 digits beginning with **0, 1, or 2**.

### Part 3A. Households Exceeding the Income Guidelines

If only this section of the E/IEF is completed, the child is categorized as paid.

### Part 3B. All Other Households

A household is a group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit. As one economic unit, members share housing and/or significant income and expenses. Generally, individuals residing in the same house are one economic unit. If more than one economic unit resides together in the same house, they are usually characterized by prorating expenses and economic independence from one another.

- ◆ **Adopted Child** for whom a household has accepted legal responsibility is considered to be a member of that household and the household's total income is considered in the eligibility determination.
- ◆ **Child Living with One Parent, Relatives or Friends** – When no welfare agency or court is legally responsible for the child, or the child lives with at least one natural parent, other relatives, or friends, the child is considered a member of the family with whom he/she resides. The size and total income of that household is used to determine the child's eligibility.
- ◆ **Family Member Living Apart** – A family member living apart on a temporary basis is considered to be a household member. A family member not living with the household for an extended period of time is not considered to be a member of the household; but any money made available by or on behalf of him/her for the household is included as income to the household. For military personnel not living with the household, see *Military Benefits* later in this section.
- ◆ **Foreign Exchange Student** is considered to be a member of the household with whom he/she resides. Therefore, the exchange student must be included in the household size when completing the E/IEF.
- ◆ **Institutionalized Family Members** – A household member who is institutionalized for extended periods should not be considered a member of the household.
- ◆ **Joint Custody** – The child is a member of the household where he/she currently resides. Eligibility could change depending on the rotating time periods at each household.
- ◆ **Older Child Paying for Room and Board** is considered to be a separate household only when the child lives alone or as a separate economic unit. Most children paying room and board pay only a token amount, are not economically independent of their parents, and are not considered to be emancipated.
- ◆ **Student or Child Attending an Institution** but not residing in an institution, is considered a member of the household in which he/she resides.
- ◆ **Student Temporarily Away at School** who receives his/her primary support from the family should be counted as a household member.

#### **Part 4. Signature and Contact Information**

All parents/guardians completing the E/IEF must sign and date the form, and give contact information. Contact information is not required for the form to be valid. The signature and date is part of the CACFP enrollment requirement.

## Adult Day Care

### Enrollment

All adults who attend a center participating in CACFP must have enrollment information on file. The enrollment information is collected on the Enrollment & Income Eligibility Form. If centers do not collect E/IEF, the center must have information that indicates the adult is enrolled for care, including the participant's name, date of birth, the date of enrollment, and racial and ethnicity information.

### Income Eligibility

Income categories of participants are determined by information submitted on the Adult Care Center Enrollment & Income Eligibility Form (E/IEF), located at [www.kn-eat.org](http://www.kn-eat.org), *Child & Adult Care Food Program, Forms, Income Eligibility Forms*. By using this information, participants are determined to be eligible for free, reduced price, or paid meals in the CACFP. The information contained in the E/IEF is confidential. KSDE recommends that the sponsor develop a local policy to not disclose eligibility information and keep the policy on file with the CACFP records. For any other disclosure policy, contact KSDE for guidance. Unauthorized disclosures will result in a fine of not more than \$1,000 or imprisonment of not more than one year, or both.

The E/IEF must be given to all households if any participants are counted in the free or reduced price categories. A current E/IEF must be on file for participants reported in the free or reduced price category.

The following information is included on the E/IEF for Adult Day Care:

#### **Part 1. Participant**

This section of the form must list the name, date of birth, ethnicity and race of the participant who is enrolled at the center. If a participant has a nickname, the nickname should be listed with the birth name for clarification purposes. Each participant should have his/her own form.

#### **Part 2. FAP, FDPIR, SSI or Medicaid**

The Food Assistance Program (FAP), Food Distribution Program on Indian Reservations (FDPIR), Supplemental Security Income (SSI), and Medicaid are programs that allow a participant to be categorically eligible for CACFP reimbursement. A participant for whom FAP, FDPIR, SSI or Medicaid is received is automatically counted for free meals when the current Food Assistance, FDPIR, SSI, or Medicaid case number is listed on the E/IEF. FAP case numbers are 8 digits beginning with 01 or 02.

#### **Part 3A. Households Exceeding Income**

If only this section of the E/IEF is completed, the participant is categorized as paid.

#### **Part 3B. All Other Households**

A household (family), in the case of adult participants, is the adult participant and, if residing with the adult participant, the spouse and dependent(s) of the adult participant. When an adult participant is residing with and being cared for by his or her children, the income of the children would not be counted when determining eligibility.

Functionally impaired adults living with a parent or child are considered a “household” or “family” separate from the parent or children for the purpose of determining family size and income.

**Family Member Living Apart** - A family member living apart on a temporary basis is considered a household member. A family member not living with the household for an extended period of time is not considered a member of the household, but any money made available by or on behalf of him/her for the household is included as income to the household.

**Institutionalized Family Members** - A household member who is institutionalized for extended periods should not be considered a member of the household.

#### **Part 4. Signature and Contact Information**

All participants/guardians completing the E/IEF must sign and date the form, and give contact information. Contact information is not required to make the form valid.

## **Reporting Income**

Income to be reported on the E/IEF is money received on a recurring basis. The money reported is gross income – before deductions for income taxes, employee’s Social Security taxes, insurance premiums, etc. The income is to be computed as an annual amount using the formulas listed on the form (weekly income times 52; or twice a month income times 24; or every two weeks income times 26).

Income includes the following:

- ◆ Earnings from Work – Wages, salaries, tips, commissions, net income from self-owned businesses and farms, strike benefits, unemployment compensation, and workers’ compensation
- ◆ Welfare/Child Support/Alimony – Public assistance payments, welfare payments, alimony, and child support payments (not Food Assistance Program benefits)
- ◆ Pensions/Retirement/Social Security – Pensions, retirement income, Social Security, Supplemental Security Income (SSI), and veteran’s payments
- ◆ Any Other Income – Net rental income, annuities, net royalties, disability benefits, interest, dividend income, cash withdrawn from savings, income from estates, trusts and/or investments, regular contributions from persons not living in the household, and any other money that may be available to the family

Income **NOT** to be reported includes:

- ◆ Income or benefits from federal programs excluded by legislation such as Food Assistance Programs, foster grandparents, and TAF. Contact KSDE for further information.
- ◆ Student financial assistance such as grants and scholarships awarded to meet educational expenses and not available for meals
- ◆ The value of in-kind compensation allowances such as military on-base housing, privatized housing allowance, or any other non-cash benefit
- ◆ Loans since these funds are only temporarily available and must be repaid
- ◆ Income from occasional activities such as shoveling snow or cutting grass

The following information is intended to provide guidance for those individuals making eligibility determinations. The guidance cannot, however, address each individual situation. If unusual situations arise, the center should contact KSDE for further guidance, as appropriate.

- ◆ **Alimony and Child Support** payments received are counted as household income. However, alimony or child support paid out may not be deducted from a household's reported gross income.
- ◆ **Garnished Wages and Bankruptcy** – The total gross income must be considered regardless of garnishments or other payments.
- ◆ **Lump Sum Payments** or large cash settlements are not counted as income since they are not received on a regular basis. When lump sum payments are put into a savings account and the household regularly draws from the account for living expenses, the amount withdrawn is counted as income.
- ◆ **Military Benefits** for non-deployed service members, income includes benefits paid directly to the service member, such as food, clothing allowances, and house allowances for households living off-base in the general commercial or private real estate market are considered income. For deployed service members, income only includes that portion of a deployed service member's income made available by them or on their behalf to the household will be counted as income to the household. Payments from Federal Programs Excluded as Income include, payments under the Agent Orange Compensation Exclusion Act, P.L. 101-201, Family Subsistence Supplemental Allowance (FSSA), and privatized housing allowances to service members living in housing covered under the Military Housing Privatization Initiative.
- ◆ **Seasonal Workers and Others** whose income fluctuates usually earn more money in some months than in other months. In these situations, the household may use last year's reported income as a basis to project their current year's income, unless their current income provides a more accurate measure.
- ◆ **Self-Employment for Farmers** – Net income is figured by subtracting the farmer's operating expenses from the gross receipts. Gross receipts include the value of all products sold; money received from the rental of farm land, buildings, or equipment to others; and incidental receipts from the sale of items such as wood, sand or gravel. Operating expenses include the cost of feed, fertilizer, seed and other farming supplies; cash wages paid to farm hands; depreciation charges; cash rent; interest from mortgages; farm building repairs; and farm taxes (but not local, state, and federal income taxes). All rules listed below under *Self-Employment for Others* also apply.
- ◆ **Self-Employment for Others** – The income to be reported is determined by subtracting business expenses from gross receipts. Gross receipts include total income from goods sold or services rendered by the business. Deductible business expenses include the cost of goods purchased, rent, utilities, depreciation charges, wages and salaries paid, and business taxes (not personal federal, state or local income taxes). Business expenses such as the value of saleable merchandise of retail businesses are not deductible. Deductions for

personal expenses such as interest on house payments, medical expenses and other similar non-business deductions are not allowed in reducing gross business income.

Do not report a negative income from any business venture. The least income possible is zero (no income). See *Zero Income* in this section. A loss from a business cannot be deducted from the income earned in additional employment. Additional income for other kinds of employment must be treated as separate and apart from the income generated by self-employment.

Self-employed persons may use last year's reported income as a basis to project their current year's net income, unless their current net income provides a more accurate measure.

- ◆ **Student or Child Income** – The earnings of a student or child who is a full-time or regular part-time employee must be listed on the Enrollment & Income Eligibility Form. However, educational grants, loans and scholarships as well as occasional earnings (for example, cutting the grass) should not be listed on the form.
- ◆ **Temporary Income** – An E/IEF with temporary income can be approved for a 12-month period.
- ◆ **Zero Income** – An E/IEF with a household income of zero can be approved for a 12-month period.

### **Social Security Number**

When the eligibility determination is based on income, the last 4 digits of the Social Security Number (SSN) must be included on the form. This must be the SSN of the parent or guardian who signs the form, or an indication that the household member possesses no SSN.

## **Determining Income Eligibility**

The determining official is responsible for reviewing the completeness of the ALL Income Eligibility applications upon receipt, evaluating the income, and determining the income eligibility of each participant. The official must compare household size and income to the Income Eligibility Guidelines for the current year, located at [www.kn-eat.org](http://www.kn-eat.org), *Child & Adult Care Food Program, Forms, Income Eligibility*. ALL applications require a Determining Official signature and date. Determinations are effective from the beginning of the month in which they are determined until the end of the month the following year. For example, an E/IEF determined July 12, 2015 is considered valid from July 1, 2015 until July 31, 2016.

Sponsors have the option to select the date of eligibility determination. The same date option must be used for all determinations. The sponsor declares the effective date for determinations in the management plan. Income applications may become effective based on:

- ◆ The date the Determining Official signs the form to certify eligibility of the participant.

- ◆ The date the parent or guardian (participant or adult family member) signs a complete application. That application is valid on the date the parent signed as long as the Determining Official signs within the month or in the following month. Applications that are signed by the Determining Official after the month following the parent signature must use the Determining Official certification date as the date of eligibility.

In the “For Center Use Only” area of the Enrollment & Income Eligibility Form:

- ◆ If the participant is categorically eligible for free, check the appropriate box (FAP, TAF, or FDPIR), sign and date.
- ◆ If income and household size are used to determine eligibility, check the income box and list the annual income and household size in the appropriate blanks. Check the free, reduced price, or paid box, sign and date.
- ◆ If the child is foster, indicate the name(s) of the child(ren) on the line indicated under the household category.

It is highly recommended that a second person double-check each Enrollment & Income Eligibility Form. A confirming signature is under the sponsor’s determining signature for the double check.

## Identifying Errors

- ◆ **Missing Information** – If information is missing on the form, the center should contact the household for clarification or additional information.
- ◆ **Food Assistance Program or TAF case number** is assigned by the Kansas Department for Children & Families (DCF). The number is an 8-digit case number that begins with **0, 1, or 2**. The FAP case number is not listed on the child care assistance documentation.
- ◆ **FDPIR case number** is assigned by the individual tribe.
- ◆ **Income** must be calculated as an annual amount. Convert income to an annual amount by using the factors indicated on the Income Eligibility Guideline Chart.
- ◆ **Signature and Date** must be completed.
- ◆ **Erasures, white out or correction tape** is not to be used on information completed by parents. Sponsor staff must write in the “Center Use Only” area and make note on any forms received with erasures, white out or correction tape.
- ◆ **Determining the Form** – The determining official must categorize, sign and date the form to determine the effective date of the form. If the form is not determined, signed, and dated it is not valid.

For a more comprehensive list of issues and actions for correction refer to Form 9-C, Enrollment and Income Eligibility Guidance.

## **Programs for Which Income Eligibility Forms May Not Be Required**

### **Head Start**

A child who is enrolled in Head Start is automatically eligible for the free CACFP category when the procedure described below is followed.

The Head Start agency's determining official prepares a list of children that are enrolled in Head Start. The list must include:

- ◆ First and last names of each eligible child;
- ◆ Statement certifying that these children are enrolled in Head Start; and
- ◆ Signature and date of the Head Start determining official.

The certification list must be completed and retained on file each time the center reports free, reduced price and paid enrollment numbers. Sponsors may use the Automatic Eligibility Summary Form (9-B).

A CACFP Enrollment Form is required for all Head Start children.

### **Head Start Partnership Site**

To determine automatic eligibility, a child care facility in partnership with Head Start may use the procedure described above for Head Start sites. The Head Start agency must provide to the partnership agency the certification list of children who are enrolled in Head Start. Such a list must be completed and retained on file each time the center reports free, reduced price and paid enrollment numbers.

### **Non-Head Start Site**

Children who attend a Head Start program for part of the day and child care at another center for part of the day, cannot be "automatically eligible" at the non-Head Start site. A CACFP Enrollment & Income Eligibility Form must be on file to count the child in the free or reduced price category.

### **At-Risk Afterschool Meals**

Enrollment & Income Eligibility Forms are not required for children attending an approved At-Risk Afterschool Meals site. All At-Risk Afterschool meals and snacks are reimbursed at the free rate. If any meal other than an At-Risk Afterschool meal or snack is claimed, an Enrollment & Income Eligibility Form must be on file.

### **Participating Emergency Shelters Program**

Enrollment & Income Eligibility Forms are not required for children receiving meals and snacks at an emergency shelter or domestic violence shelter participating in the CACFP. Children's meals and snacks are reimbursed at the free rate.

## **Direct Certification**

If the sponsor is a School Food Service Authority (SFA), Direct Certification may be used to verify a child's automatic eligibility based Food Assistance, Temporary Assistance to Families, or being a foster child. For guidance on how to use Direct Certification if the sponsor is an SFA, refer to the School Nutrition Program *Food Service Facts, Chapter 7*.

A CACFP Enrollment Form is required for all children who are directly certified.