Subject: Update on Use of Expansion Funds in Previously Targeted Areas in the Mountain Plains Region

To: STATE AGENCY DIRECTORS - Colorado DPHE, Iowa, Kansas, Missouri DHSS, Montana DPHHS, Nebraska, North Dakota, South Dakota, Utah and Wyoming ED

The Child and Adult Care Food Program (CACFP) regulations provide funds to family day care home sponsors to support activities to expand participation to homes located in low-income and rural areas. The regulations at 226.12 (b) specifically limit funding of expansion grants to sponsors in areas other than those specified in a prior request. This means sponsors have more than one opportunity to access expansion funds, but can only target a specific area once. In some instances, sponsors within the Mountain Plains Region (MPR) have used expansion funds to do statewide expansion projects. A statewide project is not an appropriate or effective use of expansion payments because it removes all opportunity for additional effort on the part of any institution participating in such a project. Moreover, by definition, expansion funds are provided to expand participation to homes located in low-income and rural areas. Since no "State" meets the definition of a rural area and it is equally unlikely that an entire State would be classified as low-income, it would be improper to engage in a statewide effort.

This memorandum is to inform MPR State Agencies that they may consider new expansion fund requests from sponsors to allow them an opportunity to use a targeted approach as intended by regulation. The requests must meet the intent and limitations as set forth in 226.6.

When considering expansion project requests, remember the requests must clearly identify a reasonable and specific under-served area, not an entire State and once a sponsor has reached out to a new area and thereby expanded its service area, subsequent access efforts in that area become a regular activity of the sponsor, not a special project. Expansion funds are not intended to be used as extra funding for routine outreach.

If you have any questions please contact the MPR staff at (303) 844-0354.

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