OCT 24 1990

Reply to
Attn. of: CACFP-217

Subject: Child and Adult Care Food Program (CACFP): Definition of Provider's Own Children

To: STATE AGENCY DIRECTORS (Special Nutrition Programs) — Colorado DH, Iowa, Kansas, Missouri DH, Montana DHES, Nebraska ED, North Dakota, South Dakota, Utah and Wyoming ED

Section 17(a) of the National School Lunch Act limits participation in the CACFP to nonresidential institutions providing child care. While this provision clearly excludes residential institutions from the CACFP, it does not address the receipt of benefits by children who may, for various reasons, be in residence at child care facilities which are, in character, nonresidential and are, therefore, participating in the CACFP. We believe, based on the Congressional intent that the CACFP should serve only nonresidential child care situations, that children in residence with their child care provider are not eligible to receive CACFP benefits. One exception is a foster child who may be in residence with a provider. A foster child is a ward of a court or welfare agency, who has been placed in residence in a private household. Since the court or welfare agency retains legal responsibility for such a child, the foster home is an extension of that agency and a foster child is considered a household of one eligible for CACFP benefits. Also excepted are children of a family day care home provider (termed "provider's own children"), who may, by law, receive CACFP meal benefits if the provider's household qualifies for free or reduced price meals. A third temporary exception which we recently issued in CACFP Memo No. 216 outlined the eligibility of children of military deployed to the Persian Gulf left in residential child care with providers.

The purpose of this memorandum is to define "provider's own children", especially in light of several provisions contained in P.L. 101-147 that are clearly directed at expanding Program participation in low-income areas. Informal extended family situations frequently exist in low-income households, and it would be contrary to the spirit of the law to exclude from the Program children living with grandparents or other nonparental family members. Therefore, the definition of "provider's own children," for purposes of receipt of CACFP benefits, is all residential children in the household who are part of the economic unit of the family. As in the school nutrition programs, for purposes of the CACFP a family is defined as 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. An economic unit is a group of related or unrelated people who share housing and all significant income and expenses. Children whose parents or guardians have made a contractual agreement, whether formal or informal, with a provider for residential child care, and whose relationship with the provider is defined primarily by the child care situation, are not considered the "provider's own."