Reply to
Attn. of: CACFP-369

Subject: Child and Adult Care Food Program (CACFP) - Group and Family Day Care Homes

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

It has come to our attention that several States are allowing child care conducted in buildings which are not private residences to be considered day care homes for purposes of CACFP. This memorandum clarifies the Department's policy on the participation of group and Family Day Care Homes (FDCH).

Program Regulations clearly state in Part 226.2 (Definition of Day Care Home) that: "Day care home means an organized nonresidential child care program for children enrolled in a private home, licensed or approved as a family or group day home and under the auspices of a sponsoring organization." To participate in the CACFP as a day care home, day care must be conducted in a private residence.

The purpose of the group and FDCH provision is to assist small, home-based, child care efforts operated by the individuals themselves in their homes. While we are aware that day care situations have evolved and parameters are no longer easily defined, we believe that the nature of those group and FDCHs for which CACFP benefits are intended are those which provide day care to small groups of children in a private home.

While we recognize the right and responsibility of State and local agencies to license homes as they see fit, not all such licensed facilities are eligible for CACFP benefits. A CACFP-eligible home is one which operates in a private residence. A residence may be either a single family home or an individual apartment unit. We are aware that, in some cases, more than one provider may operate out of the same residence. When this does occur, both individuals must be licensed by the State at the same residence, care for different children on different shifts, and both providers must participate under the same sponsoring organization.

We recognize that this memorandum may result in the disqualification of facilities now operating in the CACFP as day care homes. In order to avoid disruption of service to children, a State Agency may provide some
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time to allow a disqualified provider to make the appropriate adjustments or to prepare for the discontinuation of Program participation. However, in no case may a disqualified provider be allowed to participate in the Program for longer than one year after he/she has been notified of his/her disqualification. Effective immediately, no new providers may be approved that do not comply with the provisions of this memorandum.

If you have any questions concerning this policy, please contact any member of my staff at (303) 844-0359.

Mary Henderson
ANN C. Hector
Regional Director
Special Nutrition Programs