Reply to
Attn. of: CACFP-393

Subject: Child and Adult Care Food Program (CACFP) Policy Memorandum

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

Attached is a summary of questions and answers that have been raised since our last CACFP question and answer memorandum, CACFP-376, dated January 31, 1994. We will continue to compile additional information and submit it to the State Agencies as the need arises.

Mary C. Hulcan

ANN C. DEGROAT
Regional Director
Special Nutrition Programs

Attachment
1. Q. Is it permissible for a day care center to claim three supplements and one meal per day?

A. No. Regulations allow reimbursement for two meals and two supplements or three meals and one supplement per day per child for children who are in a child care setting for eight or more hours per day. Claiming three supplements and one meal would not meet the guidelines set forth when Public Law 100-435 was implemented in 1989.

2. Q. CACFP Regulations call for iron-fortified formula for infants. Can a center serve low-iron formula without a doctor’s statement and still be reimbursed?

A. No. Feeding Infants (FNS-258), page 14 states "Formula labels which say ‘low-iron’ do not meet the meal pattern requirements. They may be served only as a dietary substitute which requires a note from a medical doctor or other recognized medical authority."

3. Q. If a parent brings in a formula such as ‘Nutramigen’, ‘Alimentum’, ‘PediaSure’, or ‘Lactofree’ to be served with the other components, but does not have a medical statement, can these meals be reimbursed?

A. Only if there is a statement on file from a doctor or other recognized medical authority.

4. Q. Can breast milk be served with other components and claimed for reimbursement without a medical statement?

A. Yes. Part 226.20(b) states "Meals containing breast milk served to infants 4 months of age or older may be claimed for reimbursement when the other meal component or components are supplied by the child care facility."

5. Q. Several family day care home sponsoring organizations (FDCHSOs) wish to become members of their respective Chambers of Commerce. Would these costs be allowable?

A. The State Agencies (SA) must carefully review all such requests to determine if the costs are reasonable and necessary for the operation of the Program. There should be a benefit to the Program for it to be allowable.
6. Q. A FDCHSO provides each of their providers with a printout of reimbursement at the end of each calendar year for tax purposes. However, often providers misplace these and request second copies. May the FDCHSO charge for these second copies?

A. No. Part 226.18(b)(9) prohibits any SO from charging a fee to FDCHs for its Program administrative services.

7. Q. A FDCHSO is creating and publishing a program aid using its administrative monies and will provide each of its providers with one free copy. The SO would like to make this publication available to other providers. How would they handle the costs?

A. The SO may not make any profit from the sale of the publication since the ownership rests with USDA. The SO may only charge the costs of publication and mailing/shipping. Also, the costs of the extra publications may not be charged as administrative costs. The SA should monitor the situation closely to ensure compliance.

8. Q. Are bonding fees an allowable cost?

A. Rescinded 11-97

8. Q. Are bonding fees an allowable cost?

A. Yes. The cost of premiums on bonds covering employees who handle funds is allowable per FNS Instruction 796-2, Revision 1, VIII B 4. The draft of Revision 2 of this Instruction expands on this and states "Bonding costs for general administrative staff, officers, or any individual not responsible for handling program funds are unallowable".

9. Q. Two names appear on a FDCH license; one is the caregiver, the other is the owner of the house who does not provide care for the children. Can these women claim their children if they are income eligible?

A. The caregiver may claim her children if other nonresidential children are present and in care. The home owner's children are residential and, therefore, may not be claimed.

10. Q. May an SO provide information on its providers to entities such as a county or state licensing agency? These agencies may need information such as attendance records for cases they are working on.

A. The SA should contact its Freedom of Information (FOI) Officer for a determination in all FOI requests. However, FNS would support providing this type of information to such agencies.