Reply to
Attn. of: CACFP-451

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

To: STATE AGENCY DIRECTORS (Child Nutrition Programs)
   - Colorado DPHE, Iowa, Kansas, Missouri DH,
   - Montana DPHSS, Nebraska ED, North Dakota,
   - South Dakota, Utah and Wyoming

Attached is a summary of questions and answers that have been raised since our last CACFP question and answer memorandum, CACFP-437, dated July 12, 1995. We will continue to compile additional information and submit it to the State Agencies as the need arises.

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Regional Director
Child Nutrition Programs

Attachment
1.  Q.  Question Number 7 of CACFP-322 gives rounding principles for Title XX centers. Does this principle also apply to Title XIX centers?
   A.  Yes.

2.  Q.  What is the time frame for a State Agency (SA) to approve Expansion Funds?
   A.  CACFP-287 states 30 days.

3.  Q.  A home/center has a child that it wants to feed vegetarian meals. Is it correct that the variations allowed in FNS Instructions 783-13, Revision 2, and 783-14, Revision 1, apply only to Jewish and Seventh-day Adventist schools, institutions, sponsors, and their facilities?
   A.  Yes. The home/center would have to stay within the established meal pattern to claim the meal for reimbursement if it is not classified as a Jewish or Seventh-day Adventist facility.

4.  Q.  A group family day care home (FDCH) receives meals from a school. Should the agreement be between the FDCH and school, or the sponsoring organization (SO) and school?
   A.  This would be up to the SA. Part 226.13(c) states that an SO may deduct monies from a FDCH's reimbursement for meals; therefore, it may be between the SO and the school.

5.  Q.  Should the CACFP reimbursement paid to FDCH providers be claimed as income if the provider applies for Food Stamps?
   A.  No. Part 226.25(c) indicates that this reimbursement shall not be considered as income when applying for other public assistance programs.

6.  Q.  An SO is paying providers a higher rate of reimbursement than that established by Food and Consumer Service (FCS). The SO may be using administrative money to pay the difference. Is this permissible?
   A.  The SO can use its own funds to pay providers at a higher rate than the reimbursement established by FCS, but it CANNOT charge the "extra" payments as an administrative cost.
7. Q. An SO wants to allocate its executive director's salary based on the revenue it receives instead of tracking every activity he/she performs. Should provider reimbursement be included as part of the revenue, and is this method of allocation permissible?

A. This allocation method can work in those cases where the executive director spends more time on the programs/activities that generate the most revenue and less on those that generate a smaller amount of revenue. However, this is not always the case. If the SA is unsure if this is a valid method, it could require time distribution reports for a test period or randomly request time distribution reports during the year. Provider reimbursement should not be included as part of the revenue used in the allocation.

8. Q. When should FDCH providers complete meal records?

A. Part 226.18(e) states these should be completed daily.

9. Q. Can adult day care homes participate in the CACFP?

A. No. Public Law 100-175 and Parts 226.2 and 226.19a are very explicit in stating ONLY adult day care CENTERS may participate in the Program.