Reply to
Attn. of: CACFP-524

Subject: Extension of Interim Implementation Period FCS-44, Report of the Child and Adult Care Food Program

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

On June 11, 1997, via CACFP-521, we sent the final draft of the FCS-44 (5-97), accompanied by supplementary guidance in Attachment A. Attachment A outlines the procedures for reporting the Tier I and Tier II family day care home information during an interim phase-in period. The phase-in period allows State Agencies (SA) time to set up their reporting systems to capture the new FCS-44 data elements.

The primary function of the additional data elements is to determine the Child and Adult Care Food Program's (CACFP) success in targeting low-income children. The only way to determine that success is to analyze how many wholly low-income or high-income providers are participating in the Program. The data requested on the FCS-44 (5-97) will allow the SAs and the Food and Consumer Service (FCS) to answer the following questions:

1. Are providers that serve higher-income children being driven off the Program?

2. Is the low-income population truly being served through CACFP?

3. If the Program is primarily serving the low-income population, are two reimbursement tiers needed in the CACFP?

Because these questions examine the extremes within the Tier II population, it is essential that the data requested in the (5-97) edition be collected.
Furthermore, every year FCS is tasked with projecting the participation of children and homes for budgetary purposes. Unfortunately, making assumptions on the distribution of meals based on quarterly assessments of attendance/enrollment records is not an accurate basis for a cost estimate. It is essential to know whether the participation in Tier I homes is different than in Tier II homes. As a result, the analysis of the number of meals served at the higher rate in Tier I homes versus the number of meals served at the higher rate in Tier II homes is crucial to any budgetary process. The information provided on the FCS-44 will allow the staff at FCS to more accurately ascertain the level of funding needed to maintain the Program. Lastly, the data elements will allow FCS to monitor and potentially improve the targeting of funds to low-income populations.

Headquarters recently received several comments expressing concerns about the short time frame and cost involved in the implementation of the revised FCS-44. In response, it has been decided to extend the period during which SAs may report using the Interim Reporting Procedures set out in Attachment A of CACFP-521. These Procedures will now be in effect for the reports submitted for the July 1997 through March 1998 report. Attachment A (Revised July 15, 1997) describes the new time frames for the Interim Reporting Procedures. For the reports submitted through the March 1998 report, an SA may complete the FCS-44 (5-97) using either the definitions and instructions provided on that form, or using the instructions provided for the Interim Reporting Procedures described in Attachment A (Revised July 15, 1997).

For reports submitted beginning April 1998, SAs must complete the FCS-44 using the definitions and instructions provided on that form. However, if an SA is unable to report all of the required information on the FCS-44 in accordance with the definitions and instructions provided on the form, it may continue to use the Interim Procedures up to and including the reporting period ending September 30, 1999. If the SA elects to use the Interim Reporting Procedures for any reports for the periods between April 1, 1998, and September 30, 1999, a quarterly supplement to the FCS-44 (the FCS-44A) will be required. This supplementary report will include additional detail on the quarterly information in Part B of the FCS-44, and will also capture the meal count information in Part E of the FCS-44, but on quarterly rather than a monthly basis. In addition, if an SA chooses to continue using the Interim Reporting Procedures, the FCS-44A
supplementary report must be completed manually and mailed to FCS. The FCS's electronic reporting system will not be modified to capture the information submitted on the FCS-44A. Specific instructions and a supplementary reporting form (FCS-44A) will be developed, and will be distributed in January 1998.

The option to use the Interim Reporting Procedures with the supplementary FCS-44A for reports covering the periods between April 1, 1998, and September 30, 1999, is being offered to accommodate the needs of those SAs that, because of time or financial constraints, are unable to complete the FCS-44 using the definitions and instructions provided on the form within the time frames described in Attachment A (Revised July 15, 1997). However, we would encourage SAs to implement procedures to complete the FCS-44 using the definitions and instructions provided on the form as quickly as possible to eliminate the need to conduct additional information gathering from the sponsoring organizations and manually prepare and submit a separate quarterly report, i.e., FCS-44A.

In regard to concerns about the increased costs associated with implementation, we will consider SA requests for financial assistance to help defray the implementation costs. SAs may request additional funding during the Fiscal Year 1998 State Administrative Expense reallocation process. Enclosed is the updated Attachment A (Revised July 15, 1997) that reflects the new time frames for reporting using the Interim Reporting Procedures.

For SAs that are able to utilize the FCS-44 immediately, directions provided by Attachment A and the deadlines listed may be disregarded. Please contact our office at (303) 844-0359 if you have any questions.

ANN C. DEGROAT
Regional Director
Child Nutrition Programs

Attachment
ATTACHMENT A

FCS-44, REPORT OF THE CHILD AND ADULT CARE FOOD PROGRAM
INTERIM REPORTING PROCEDURES

SECTION I for Part B Quarterly Data.

The information in SECTION I of this Attachment must be reported using the following Interim Reporting Procedures until the State agency implements the (5-97) version of the FCS-44, but no later than submission of the June 1998 30-day report, due July 30, 1998. The report due on July 30, 1998, must be submitted on Form FCS-44 (5-97) using the definitions and instructions provided on that Form. (Note: The time frame for using these Interim Reporting Procedures may be extended to September 30, 1999, by submitting a quarterly supplement to the FCS-44.)

Page 1, Line 8, Columns B1 and B2, No. of Institutions or sponsors:

The information requested on the 2-97 and 5-97 final draft form is the same. This line must be reported using the same base information regardless of the version of the form that is being used.

Page 1, Line 9, No. of Outlets:

Tier I: Report the number of day care homes located in low income areas as specified by Program regulations, or homes in which the providers' household income is at or below 185% of the Federal income eligibility guidelines.

Tier II All Higher: Enter zero ("0").

Tier II All Lower: Report one (1) of the following:

The number of day care homes that do not meet the location or provider income criteria for a Tier I home;

OR

The number of homes operating claiming ONLY Tier II meals, i.e., meals paid at the lower reimbursement rate.

Tier II Mixed: Report the number of Tier II day care homes that serve both non-income eligible children, and those identified in accordance with Program provisions as income eligible.
Page 1, Line 10, Average daily attendance of outlets reported on
line 9:

Tier I: Report the average daily attendance in day care homes
reported on Line 9 as Tier I, i.e., day care homes located in low
income areas as specified by Program regulations, or homes in
which the providers' household income is at or below 185% of the
Federal income eligibility guidelines.

Tier II All Higher: Enter zero ("0").

Tier II All Lower: Report the average daily attendance in day
care homes reported on Line 9 as Tier II All Lower, i.e., day
care homes that do not meet the location or provider income
criteria for a Tier I home, or homes claiming meals ONLY at the
lower reimbursement rate.

Tier II Mixed: Report the average daily attendance in day care
homes reported on Line 9 as Tier II Mixed, i.e., day care homes
that serve both non-income eligible children, and those
identified in accordance with Program provisions as income
eligible.

SECTION II for Part E Monthly Data.

The information in SECTION II of this Attachment must be reported
using the following Interim Reporting Procedures until the State
agency implements the (5-97) version of the FCS-44, but no later
than submission of the 30-day meal counts for April 1998, due May
30, 1998. The 30-day meal counts for April 1998, due May 30,
1998, must be reported on Form FCS-44 (5-97) using the
definitions and instructions provided on that Form. (Note: The
time frame for using these Interim Reporting Procedures may be
extended to September 30, 1999, by submitting a quarterly
supplement to the FCS-44.)

Pages 2 and 3, Part E, Column B:

Tier I: Report the Actual, Estimated and Total number of
Breakfasts, Lunches, Suppers and Supplements served at the Higher
Reimbursement Rate in both Tier I and Tier II day care homes.

Tier II Higher: Enter zero ("0").

Tier II Lower: Report the Actual, Estimated and Total number of
Breakfasts, Lunches, Suppers and Supplements served at the Lower
Reimbursement Rate in Tier II day care homes.

Revised July 15, 1997