Subject: Recruiting For-Profit Centers to Participate in the Child and Adult Care Food Program (CACFP)

To: STATE AGENCY DIRECTORS - (Special Nutrition Programs) Colorado DPHE, Iowa, Kansas, Missouri DHSS, Montana DPHH, Nebraska, North Dakota, South Dakota, Utah and Wyoming

As you are aware, the Fiscal Year 2003 U.S. Department of Agriculture appropriations legislation (Public Law No. 108-7), enacted on February 20, 2003, extended the free and reduced price provision for for-profit centers in the CACFP through September 30, 2003. The intent of this provision was to extend the availability of Program benefits offered to low-income children by expanding upon the eligibility requirements for proprietary centers.

State Agencies are encouraged to

- recruit new providers into the CACFP program through the 25 percent free and reduced-price meal eligibility criteria option, and
- pool Title XX funds to further maximize access to CACFP meals.

Consistent with the intent of Congress to make the CACFP available to for-profit centers, we are asking that you continue to work with eligible for-profit centers to ensure their participation in the CACFP, either under the free and reduced price provision or the Title XX provision contained in section 17(a)(2)(B)(ii) of the National School Lunch Act. We are also asking any remaining states which do not pool their Title XX funds to continue to work towards this goal.
State Agency Directors

With your support, we look forward to providing benefits to more children. If you have any questions regarding this matter please contact our office at (303) 844-0359.

Mary Nelson

DARLENE SANCHEZ
Regional Director
Special Nutrition Programs