

The World's Largest Open Access Agricultural & Applied Economics Digital Library

# This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
aesearch@umn.edu

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

# The Child and Adult Care Food Program Lends Unique Support

Masao Matsumoto (202) 219-0864

he Child and Adult Care Food Program (CACFP) provides money and food to nonresidential child care and adult day care centers and family day care homes to serve nutritious meals and snacks. In June 1992, the program served 1.6 million children at 186,400 sites and 30,800 adults at 1,060 sites.

During the 1980's, this program had the largest growth of all food assistance programs. Between 1981 and 1992, total costs increased nearly threefold, from \$339.7 million to \$1.1 billion (table 1).

# Recognizing the Need

The Child and Adult Care Food Program was established to provide Federal funds to initiate, maintain, and expand food service for children, the elderly, and impaired adults in nonresidential care facilities.

The program was originally authorized in 1968 as the year-round phase of the Special Food Service Program for Children, which also included the Summer Food Service Program. In 1975, the CACFP was separately authorized

for 3 years as the Child Care Food Program under Section 17 of the National School Lunch Act. Congress permanently authorized the program in 1978.

## **Helping With Support**

The program provides Federal funds to reimburse the care provider for meals and snacks

served under the program. There are no requirements for State or local governments to match those funds.

The program is administered at the Federal level by USDA's Food and Nutrition Service (FNS). Local programs are administered jointly by State agencies and local sponsors. In States which do not administer the program, FNS does so



The Child and Adult Care Food Program had the largest growth of all food assistance programs during the 1980's.

The author is an agricultural economist with the Commodity Economics Division, Economic Research Service, USDA.

directly through its regional offices. State agencies receive Federal funds for administrative expenses, according to a formula based on past program expenditures.

Reimbursement for local administrative costs for child and adult care centers are assumed to be included in the per meal rates established each year. Each family day care home must be administered by a public or private nonprofit sponsoring organization, which is responsible for maintaining and enforcing Federal and State regulations and for preparing a consolidated monthly reimbursement claim for all the homes it sponsors. A separate reimbursement payment, based on the number of homes sponsored, is made to these organizations for administrative expenses.

Cash reimbursements are established annually for each breakfast, lunch, or supplement served. Federal reimbursement is provided for up to two meals (breakfast, lunch, or supper) and one supplement or snack per day per child or adult. Children in child care centers for eight or more hours a day may be served an additional meal or snack. Commodities or cash in lieu of commodities are also provided for lunches and suppers.

Reimbursement rates differ for child and adult care centers and for family and group day care homes.

### **Child Care Centers**

Licensed or approved nonresidential, public or private nonprofit child care centers are eligible to participate. Head Start Programs, settlement houses, and public neighborhood centers are some examples.

Private, for-profit centers may participate if they received funds under Title XX of the Social Security Act for 25 percent or more of their enrollees or 25 percent of their licensed capacity. The Social

"...The differences in the regulations between centers and homes reflect the great differences in organization, structure, and size of the operations, as well as the ... nature of the care provided..."

Security Act provides discretionary monies to the States, which can be used to fund various social welfare activities, including child care, to assist low-income and needy people.

A study conducted for FNS in 1988 estimated that 35 percent of

Table 1
The Child and Adult Care Food
Program Growing, in Both
Participation and Costs

Fiscal	Meals	Program
year	served	costs
	Million	Million dollars
1981	546.5	339.7
1982	492.7	324.3
1983	536.4	355.8
1984	590.5	406.7
1985	640.4	452.1
1986	678.3	496.2
1987	725.1	547.7
1988	789.3	692.4
1989	862.0	691.7
1990	966.4	811.7
1991	1,062.0	943.8
1992	1,181.6	1.096.2

all licensed child care centers participated in the program in 1986. In fiscal 1992, over 25,000 centers participated.

Reimbursement rates for meals and snacks served in centers are based on the household size and income of the individual child. The rates are the same as those provided to schools through the National School Lunch and Breakfast Programs. A child from a family of four with an annual income of \$18,135 or less is eligible for a free meal. Children from a family of four whose annual income is between \$18,136 and \$25,808 are eligible for a reduced-price meal. Those whose family income exceeds those limits must pay full price.

## **Family Day Care Homes**

To participate in the CACFP, family day care homes must meet State licensing requirements, or must be approved by some State or local agency when no licensing requirements exist. They also must be sponsored by a public or private organization that will assume responsibility for ensuring compliance with Federal and State program regulations and that will act as a conduit for reimbursement funds paid to the day care providers.

Family day care providers are reimbursed at a flat rate for each meal or snack served. The rate falls between the free and reduced-price rate available to children at the more institutionalized child care centers. No income eligibility criteria are applied to the children in participating family day care homes. However, such criterion is applied to the day care provider's children. Meals served to the provider's own children are reimbursable only if the provider's income does not exceed 185 percent of the poverty level.

The differences in the regulations between centers and homes

reflect the great differences in organization, structure, and size of the operations, as well as the direct, personal, and informal nature of the care provided by the home day care provider. Family day care homes are usually small care facilities—a typical provider cares for five or six children. The average child care center, on the other hand, enrolls between 50 and 100 children, and is usually administered by a manager. Virtually all family day care providers are women. Family day care homes tend to be shorter lived than the centers, which are usually ongoing, and relatively stable institutions.

In 1986, a survey conducted for FNS estimated that 75 percent of all licensed family day care homes

participated in the program. However, the report also estimated that over two-thirds of all such day care providers were not licensed. In fiscal 1992, over 165,000 day care homes participated.

### **Adult Day Care Centers**

In 1987, certain adult day care centers became eligible to participate in the Child Care Food Program. The official title of the program was changed in 1989 to reflect the adult care component.

Eligible for participation are public and private nonprofit centers which provide nonresidential adult day care to chronically or functionally impaired adults or the elderly age 60 or over. Also, private, for-profit centers may participate if at least 25 percent of their enrolled eligible adults are Title XIX or Title XX Social Security beneficiaries.

Centers in the program provide day care to frail and elderly adults

to relieve families from constant caregiving, and thus avoid premature or unnecessary institutionalization. These centers must be licensed or approved by Federal, State, or local authority to provide services to the chronically impaired, to disabled adults over age 18, or to the elderly less than 24 hours a day. The centers must maintain professional management responsibility for all services.

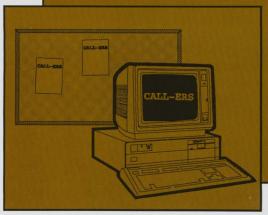
Reimbursement rates and eligibility criteria for free and reducedprice meals and snacks for adult day care centers are the same as those for child day care centers. In 1992, this program served over 30,000 adults a day at 1,200 centers.

### **New from USDA's Economic Research Service**

### **CALL-ERS**

**CALL-ERS** is a new electronic bulletin board service available free to users of ERS information and data. Use **CALL-ERS** to:

- Download timely situation and outlook summaries
- Download selected situation and outlook tables as electronic spreadsheets.
- Download samples of electronic data products.
- Stay informed about new reports and data products from ERS.



Shop our on-line catalog for periodicals, reports, videos, and data products.

**CALL-ERS** supports 1200 and 2400 baud communications (N,8,1) on **1-800-821-6229** and 1-202-219-0377.

Call from your computer today!