

How Do I Join the Food Program?

USDA's Child and Adult Care Food Program plays a vital role in improving the quality of child care and making it more affordable for many low-income families. Each day, 2.9 million children receive nutritious meals and snacks through CACFP.

There are local Food Program sponsors in every state that will be happy to sign you up. In some parts of the country there are several sponsors serving the same geographical area, so you may have to choose between different sponsors. All sponsors must follow the same federal guidelines and pay you the same amount. Some sponsors may offer additional services that you should ask about. To find out the names of the sponsor or sponsors in your area, contact your local Child Care Resource and Referral agency.



Food Program Income Eligibility Guidelines for 2006-2007

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Family child care providers can qualify to receive reimbursements from the Food Program for their own children if they meet federal income eligibility guidelines. These guidelines are updated each year as of July 1. The new guidelines for July 1, 2006 - June 30, 2007 are as follows:

Annual Income	Family of one	Family of two	Each additional person
<i>All states except AK and HI</i>	\$18,130	\$24,420	\$6,290
<i>Alaska</i>	\$22,663	\$30,525	\$7,863
<i>Hawaii</i>	\$20,850	\$28,083	\$7,234

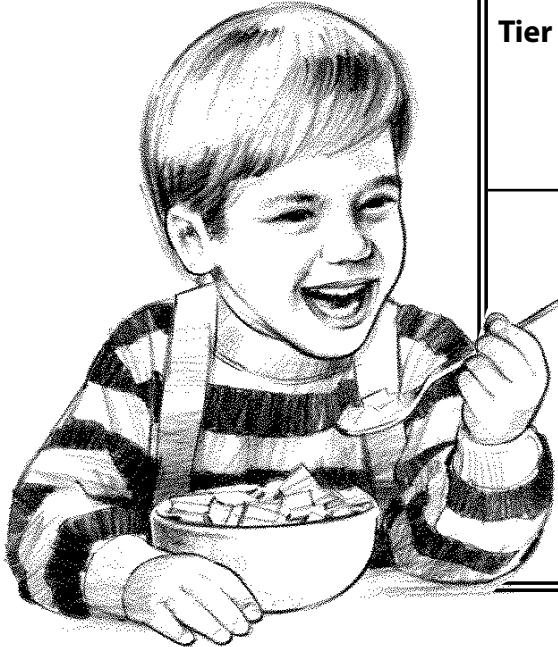
For example, if you are married and have one preschool child of your own, you will qualify as low income if your family's adjusted gross income is less than \$30,710 ($\$24,420 + \$6,290 = \$30,710$). Qualifying as low income means that the Food Program will reimburse you at the higher Tier I rate for your own child as well as for the meals and snacks served to all the children in your child care program. You may also qualify to receive the higher Tier I rate for the children in your care (but not your own children) if these children are low income or if you live in a low-income area.

To apply for the higher Tier I rate based on your family's income, or for information about the other ways to qualify for the Tier I rate, contact your Food Program sponsor.

2006-2007 Food Program Reimbursement Rates

August 2006

All family child care providers who meet their state regulation standards are eligible to participate in the Child and Adult Care Food Program. This federal program reimburses providers monthly for serving nutritious food. The Food Program sets its reimbursement rates each July for the upcoming fiscal year. The rates that will be in effect from July 1, 2006, to June 30, 2007, are as follows:



<p>Tier I - All states except AK and HI Breakfast \$1.06 Lunch/Supper \$1.97 Snack \$0.58</p>	<p>Tier II - All states except AK and HI Breakfast \$0.39 Lunch/Supper \$1.19 Snack \$0.16</p>
<p>Tier I - Alaska Breakfast \$1.69 Lunch/Supper \$3.20 Snack \$0.95</p>	<p>Tier II - Alaska Breakfast \$0.61 Lunch/Supper \$1.93 Snack \$0.26</p>
<p>Tier I - Hawaii Breakfast \$1.24 Lunch/Supper \$2.31 Snack \$0.69</p>	<p>Tier II - Hawaii Breakfast \$0.45 Lunch/Supper \$1.39 Snack \$0.19</p>

These higher rates represent only a 0.084 percent increase over 2006 rates. The rate increases are based on the average cost of food served in the home as reported by the Consumer Price Index.

If you use the Standard Meal Allowance Rate to calculate your food expenses, you must use the Tier I rate in effect at the beginning of the calendar year. Therefore, use the above rates for your 2007 taxes. For tax year 2006, use the Tier I rates that were in effect at the beginning of 2006: \$1.06 per breakfast, \$1.96 per lunch/supper, and \$0.58 per snack served (all states except Alaska and Hawaii). If you currently receive the Tier II Food Program reimbursement rate, you still will use the Tier I rate when using the Standard Meal Allowance.

Remember to keep a daily record of all meals and snacks you serve in your business, not just the meals that you are reimbursed for by the Food Program. You are entitled to deduct as food costs on your tax return up to one breakfast, one lunch, one supper, and three snacks per day, per child, if you serve them.

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Sources: United States Department of Agriculture, Food and Nutrition Services,

<http://www.fns.usda.gov/fns/default.htm>

Redleaf National Institute, www.redleafinstitute.org, Author Tom Copeland, "The Importance of the Child and Adult Care Food Program", "Food Program Income Eligibility Guidelines for 2006-2007", "New Food Program Guidelines for 2006-2007", "2006-2007 Reimbursement Rates".