

August 13, 1996

SUBJECT: WELFARE REFORM ADVISORY MEMO # 1: LIMITATIONS ON
REIMBURSEMENT FOR MEALS SERVED IN THE CHILD AND ADULT
CARE FOOD PROGRAM (CACFP) AND THE SUMMER FOOD SERVICE
PROGRAM (SFSP)

To: Regional Directors
Child Nutrition Programs
All Regions

The attached memorandum is intended for immediate distribution to State agencies in your region. Dissemination of this memorandum without changes will ensure uniform implementation of these legislative provisions. To facilitate immediate dissemination, CC:Mail file of this memo with attachment has been transmitted to your attention.

This memorandum addresses provisions which reduce the number of reimbursable meals that can be claimed by camps and migrant sites in SFSP and child care centers in CACFP. These provisions have been addressed first because they will have the most immediate administrative and financial impact on State Agencies and institutions which administer the SFSP and CACFP. Additional implementation guidance on other aspects of H.R. 3734, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, will be sent to you as quickly as possible.

Please contact Ed Morawetz or Lorie Conneen of my staff if you have any questions concerning the issues addressed in this memorandum.

/ORIGINAL SIGNED/

ALBERTA C. FROST
Director
Child Nutrition Division

Attachment

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Dear State Child Nutrition Director:

As you know, the House and Senate recently passed the final version of H.R. 3734, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. President Clinton has announced his intention to sign the bill when he receives it from Congress.

Once the bill is enacted (i.e., once the president signs it into law), it will amend a number of provisions in the National School Lunch Act (NSLA) and the Child Nutrition Act. This memorandum addresses provisions which reduce the number of reimbursable meals that can be claimed by camps and migrant sites in the Summer Food Service Program (SFSP) and child care centers in the Child and Adult Care Food Program (CACFP). These provisions will have the most immediate administrative and financial impact on State Agencies, institutions, and facilities which administer the SFSP and CACFP, because they will be in effect upon the day of enactment. It is important that you immediately share this information with institutions participating in either program in your State. Other memoranda addressing implementation issues related to H.R. 3734 will be forthcoming after it is signed.

REIMBURSEMENT OF MEALS AT CAMPS AND MIGRANT SITES IN SFSP

Section 706(c) of H.R. 3734 amends Section 13(b)(2) of the NSLA to reduce the number of reimbursable meals for SFSP camps and for food service sites which serve meals primarily to migrant children. Prior to the enactment of this provision, camps and migrant sites could receive Federal reimbursement for breakfast, lunch, snack and supper each day of operation with the approval of the State administering agency.

H.R. 3734 reduces the number of meals that SFSP sponsors of these sites may claim, from four meals to either three meals or two meals and one snack. Therefore, a SFSP camp or migrant site may not claim snacks for reimbursement on days that they claim breakfast, lunch, and a supper. Alternately, these SFSP sites may not claim reimbursement for a third meal (i.e., breakfast, lunch, or supper) on days that they claim a snack.

REIMBURSEMENT OF MEALS IN CHILD CARE CENTERS IN CACFP

Section 708(d) of H.R. 3734 amends Section 17(f)(2)(B) of the NSLA to reduce the maximum number of meals which may be claimed for reimbursement by child care centers participating in CACFP. Prior to the enactment of this provision, child care centers could claim for Federal reimbursement a daily maximum of three

meals (breakfast, lunch, and supper) and one snack or two meals and two snacks to each child that was documented to be in the center's care for eight or more hours.

H.R. 3734 reduces the number of meals that CACFP centers may claim for reimbursement to a maximum of two meals and one snack, regardless of the length of time a child is in attendance. Therefore, child care centers may not claim reimbursement for a third meal under any circumstances. We plan to continue to follow our current policy of also allowing centers to claim for Federal reimbursement either two meals and one snack or two snacks and one meal for each enrolled child in attendance.

As stated above, please share this information with SFSP sponsors and child care institutions immediately. State agencies must ensure that, once H.R. 3734 is enacted into law, SFSP and CACFP institutions no longer claim reimbursement for a fourth meal service in either program.

If you would like further guidance or have additional questions related to this matter, please contact [insert regional contact].

[Signature]