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CACFP 12-02
SFSP 12-03

To: All Institutions Participating in the Child and Adult Care Food Program
Sponsors of the Summer Food Service Program

From: Arnette Cowan, MS, RD, LDN
Supervisor, Special Nutrition Programs

Subject: Guidance on Income Eligibility Determinations and Duration

This memorandum provides guidance and clarification regarding individual income eligibility determinations and durations in the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP).

Eligibility Duration

In accordance with 7 CFR §226.23(f), CACFP institutions must collect and report to State agencies free, reduced-price, and paid meal eligibility information. Such information must be updated annually and may not be more than 12 months old. Income eligibility forms should be considered current and valid until the last day of the month in which the form was dated one year earlier. The date to be used to make this determination is the date on which the sponsor or independent center official signs the application to certify eligibility of the participant. This means that a form signed and dated by a sponsor on January 12, 2012, is considered valid until January 31, 2013. This eligibility duration determination method applies to day care centers, and family day care homes, and should be used to assess the expiration of an income eligibility form in all situations, regardless of the reimbursement calculation method used. These provisions also apply to the determination of eligibility for free meals under the SFSP when individual children’s eligibility must be established in accordance with 7 CFR §225.15(f).

Effective May 1, 2012, eligibility officials are required to certify the eligibility determination by signing and dating the application. If the approving official does not sign and date the application, eligibility determination for “Free” or “Reduced” rate has not been made for the child/children included in the application. Therefore, the institution or sponsor would be reimbursed at the “Paid” rate for the child/ren whose eligibility determination was not certified as “Free” or “Reduced” by the approving official.

Therefore, applications should be processed as quickly as possible, especially since your reimbursement will depend on the dates that you approve the application. The State agency considers approving applications within a week to 10 days of receipt is a reasonable.

Please remember that applications will be certified as paid, until the eligibility official certifies the application. For example, if you receive an application on March 27, 2012 and the eligibility official does not certify the application until April 5, 2012, the application is considered “paid” for the month of March 2012. This same principle applies to any other month prior to the approving official certifying eligibility determination for “Free” or “Reduced” category.

Change in Income

The Child Nutrition and WIC Reauthorization Act of 2004 (Public Law 108-265) modified requirements related to reporting changes in income during the period of eligibility covered by the application. Households are not required to report changes in circumstances, such as an increase in income, a decrease in household size, or when the household is no longer certified eligible for benefits through the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF).

Therefore, once a household is approved for free or reduced price or tier I benefits, the household remains eligible for those benefits for a period not to exceed 12 months, regardless of any change in household income.

Elimination of Temporary Approval

The final rule, “Applying for Free and Reduced Price Meals in the National School Lunch Program and School Breakfast Program and for Benefits in the Special Milk Program,” eliminated the practice of temporary approvals for free or reduced price meal benefits (76 FR 66849, October 28, 2011). The Child Nutrition and WIC Reauthorization Act of 2004 extended the eligibility period in the National School Lunch Program (NSLP) to 12 months, eliminating the use of temporary approvals. Because income guidelines for determining eligibility in CACFP and SFSP must align with those of the NSLP, this provision also applies to CACFP and SFSP.

Previously, temporary approval was encouraged when the need for assistance seemed short-term, such as when a household experienced a temporary reduction in income or when no income was reported. Year-long eligibility did not apply when a household was given temporary approval. At the end of the temporary approval period, determining officials re-evaluated the household’s situation. Now, households that were in temporary approval status on November 28, 2011, or have been temporarily approved since that date must be approved for an entire year, with the original date of the temporary approval as the start of the year of eligibility. If a household’s temporary approval expired prior to November 28, 2011, the household must submit new income eligibility forms. Year-long eligibility includes households that report no income on their income eligibility forms.

Establishing Claiming Percentage

In accordance with 7 CFR §226.9(b)(2), State agencies must establish claiming percentages, no less frequently than annually, on the basis of enrolled participants eligible for free or reduced price meals. During any month in which a claiming percentage is being established, because an income eligibility form is valid until the last day of the month that it was originally dated, any income eligibility forms expiring that month should be included in determining that claiming percentage. The claiming percentage may then still remain valid for up to 12 months. Claiming percentages are intended to capture the number of eligible children at a facility during one period of time. Including all currently valid income eligibility forms, regardless of when they expire within that month, is consistent with this intent.

If you have questions, please contact your assigned regional consultant.

c: SNP Staff (via email)

