

# **THE CHILD AND ADULT CARE FOOD PROGRAM IN MILWAUKEE COUNTY**

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**February 2004**

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## **I. Executive Summary**

The Child and Adult Care Food Program (CACFP) is a federal entitlement program that reimburses care providers for serving nutritious meals and snacks to children and adults in their care. The CACFP is used in five care settings: family home daycare centers, group childcare centers (including Head Start sites), after-school programs, emergency shelters, and adult daycare centers.

During the fall of 2003, the Hunger Task Force conducted an assessment of the CACFP in Milwaukee County. Anecdotal evidence had suggested that the CACFP was greatly underutilized in Milwaukee County and that CACFP participation was decreasing. Full implementation of the CACFP could lead to a decrease in the prevalence of hunger affecting the nearly 16,000 children under age 5 living in poverty in Milwaukee County.<sup>1</sup> A comprehensive assessment of CACFP use in Milwaukee County would inform and direct Hunger Task Force's advocacy and outreach work related to this important child nutrition program, which, when well-utilized can effectively plug gaps in our food system not covered by other federal nutrition programs.

Hunger Task Force's assessment study consisted of:

- 1) A survey project of CACFP participants in family home daycare and group childcare center settings. Surveys were sent to 1,255 family home daycare providers and 61 group childcare centers. 28.1 percent of family home daycare providers and 54.1 percent of group childcare center providers responded to our survey.
- 2) Conducting over 40 interviews with program participants and administrators from all five program settings.
- 3) A mapping project depicting participating CACFP family home daycare centers and group childcare centers.

Program-wide findings from this assessment project include:

- Overall, CACFP providers have positive feelings about their participation in the program. This sentiment was strongest among family home daycare providers. Participating care providers seem to have positive feelings towards CACFP participation because of the program benefits.
- The CACFP is an important financial and informational resource for all types of care providers. Program stakeholders find that the benefits of participation in the program outweigh the negatives.
- A program's participation in the CACFP helps to strengthen the quality of care provided. This is especially important for low-income children.
- Children benefit from the CACFP because they are able to receive nutritious meals and develop life-long healthy eating habits.

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<sup>1</sup> Wisconsin Council on Children and Families, 2003 *WISKIDS Count Data Book*.

- The CACFP has become expensive to operate as increasing administrative and reporting requirements have not been matched by a proportional increase in the reimbursement rate. Participating programs find the annual contract renewal process especially burdensome.
- There is a need for more outreach to educate and attract non-participating care providers to the CACFP.
- The age limit for serving meals (12 years) is a problem for after-school programs and emergency shelters serving Milwaukee County.

Based upon the findings of our assessment study, Hunger Task Force has made a variety of program simplification, outreach, policy, and administrative recommendations to improve and expand CACFP utilization in Milwaukee County. First, we believe CACFP administration can be streamlined and simplified through technological improvements. Initial investments in technological infrastructure will lead to long-term savings. Second, we think that DPI and sponsoring organizations should work with community organizations to conduct follow-up outreach with non-participating care providers. Finally, we support changes in CACFP eligibility regulations in order to allow after-school programs and emergency shelters to claim reimbursements for meals served to children through age 18. More information on our recommendations can be found in the Recommendations Section on page 49.

## II. Introduction

The Child and Adult Care Food Program (CACFP) is a federal entitlement program that enables group care providers to serve nutritious meals to children and some adults in their care. Through this program, family home daycare providers, group childcare centers (including Head Start programs), after-school programs, emergency shelters and adult daycare centers are reimbursed for their meal costs. According to federal regulations, the purpose of the CACFP is to enable non-residential care-giving institutions to provide nutritious and healthy food to children and adults enrolled at their facilities.<sup>2</sup>

Child nutrition programs such as the Child and Adult Care Food Program are an important safety-net for many low-income families and children who, as a result of limited financial resources, suffer from undernutrition caused by the inability to consistently access nutritious and healthy food. The budgets of working families are stretched thin, and the CACFP is an important resource that enables children to receive healthy and nutritious meals and snacks at the places where they are cared for every day.

### A. A Picture of Child Hunger

Recent statistics indicate that the problems of hunger and poverty increasingly affect children both across America, in Wisconsin, and locally in Milwaukee County. As shown in *Figure 1.1*, the number of children in poverty is increasing both nationally and in Wisconsin.

**Figure 1.1: Child Poverty**

U.S.		
	Number of Children in Poverty	Child Poverty Rate
2002	12.1 million	16.7%
2001	11.7 million	16.7%
Wisconsin		
	Number of Children in Poverty	Child Poverty Rate
2002	181,079	13.5%
2000	150,166	11.2%

Source: U.S. Census Bureau<sup>3</sup>, the Wisconsin Council on Children and Families,<sup>4</sup> and the Annie E. Casey Foundation<sup>5</sup>

<sup>2</sup> 7 CFR part 226 subpart A.

<sup>3</sup> US Census Bureau, "Poverty in the United States: 2002" September 2003, available at: <http://www.census.gov/hhes/www/poverty02.html>.

<sup>4</sup> as cited in "State's poor losing gains made in '90s," *Milwaukee Journal Sentinel*, October 15, 2003.

Food insecurity is a measurement made by the USDA to determine the number of households that are uncertain of having or unable to acquire enough food to meet basic needs of all members in the household because of insufficient money or resources. As shown in *Figure 1.2* below, food insecurity among children nationally is increasing.

**Figure 1.2: Food Insecurity**

<b>U.S.</b>		
	<b>Number of Children Living in Food Insecure Households</b>	<b>Percent of Children Living in Food Insecure Households</b>
<b>2002</b>	13.1 million	18.1%
<b>2001</b>	12.7 million	17.6%

Source: USDA- Economic Research Service<sup>6</sup>

Food insecurity with hunger is an indication of the number of households in which one or more members experienced hunger because of the household's inability to obtain food. In Wisconsin, the percentage of households that are food insecure with hunger is increasing (See *Figure 1.3*).

**Figure 1.3: Food Insecurity with Hunger**

<b>Wisconsin</b>	
	<b>Percentage of Households: Food Insecure with Hunger</b>
<b>Average 2000-2002</b>	3.3%
<b>Average 1996-1998</b>	2.6%

Source: USDA- Economic Research Service<sup>7</sup>

Regionally, the poverty rate in the Midwest rose from 9.4% in 2001 to 10.3% in 2002; during this same time period the poverty rate in all other regions of the country remained unchanged.<sup>8</sup> This regional increase in poverty directly impacted local children and families as 12.4% of all families in Milwaukee County (27,767 families) were below the poverty level in 2002.<sup>9</sup> One result of this increase in poverty has been increases in W-2 caseloads at both the state and county level.

<sup>5</sup> Annie E. Casey Foundation KIDS COUNT database of Census 2000, available at <http://www.aecf.org/kidscount/census/>.

<sup>6</sup> Economic Research Service/USDA, "Household Food Security in the United States, 2002," November 2003, available at: <http://www.ers.usda.gov/publications/fahrr35/>.

<sup>7</sup> *Ibid.*

<sup>8</sup> U.S. Census Bureau, "Poverty in the United States: 2002".

<sup>9</sup> U.S. Census Bureau, "American Community Survey: 2002," available at: <http://www.census.gov/acs/www/Products/Profiles/Single/2002/ACS/WI.htm>.

**Figure 1.3: Average Monthly W-2 Caseloads**

W-2: Average Monthly Caseload				
Calendar Year	2000	2001	2002	2003*
Wisconsin	10,911	11,563	13,125	14,432
Milwaukee County	8,483	8,638	10,155	11,151

Source: Wisconsin Department of Workforce Development<sup>10</sup>

\* The average monthly caseload for 2003 is based upon average monthly caseloads from January 2003 – November 2003. The December 2003 numbers were not yet available.

A similar increase has been reported in Food Stamp Program participation. As reported by the Wisconsin Food Security Project, 36% of Milwaukee County children live in a household that receives food stamps, compared with only 14% of all children in the state of Wisconsin.<sup>11</sup> Wisconsin has experienced huge Food Stamp caseload increases since 2000, as *Figure 1.4* below indicates.

**Figure 1.4: Average Monthly Food Stamp Caseloads**

Food Stamps: Average Monthly Caseload				
Calendar Year	2000	2001	2002	2003*
Wisconsin	198,166	227,393	271,212	304,890
Milwaukee County	102,412	112,711	130,081	140,445

Source: Department of Workforce Development<sup>12</sup>

\* The average monthly caseload for 2003 is based upon average monthly caseloads from January 2003 – November 2003. The December 2003 numbers were not yet available.

Finally, according to Hunger Task Force's own emergency food pantry network operating within Milwaukee County, the number of people served increased by 0.9 percent between 2002 and 2003 so that in 2003, Hunger Task Force's emergency food pantry network served an average of 41,882 people each month. Clearly, the problems of poverty and hunger affect Milwaukee County families.

## **B. Problems Caused by Child Hunger**

The immediate and long-term effects of hunger especially when experienced in a child's infant and toddler years, have been well documented. Immediate problems include increased susceptibility to infection, greater psychological, emotional, and behavioral problems, and an increased frequency of emergency room and doctor's office visits.<sup>13</sup> While these problems place an immediate strain on society through increased health care and education system costs, the long-term effects of undernutrition and hunger experienced during early childhood are even greater. Recent research indicates that even mildly insufficient food during childhood has harmful effects on cognitive development, something that impairs later adult

<sup>10</sup> <http://www.dwd.state.wi.us/dws/rsdata/W2data.htm>.

<sup>11</sup> UW Extension: Wisconsin Food Security Project, <http://www1.uwex.edu/ces/flp/cfs/index.cfm>.

<sup>12</sup> <http://www.dwd.state.wi.us/dws/rsdata/fsdata.htm>.

<sup>13</sup> *The Consequences of Hunger and Food Insecurity for Children: Evidence from Recent Scientific Studies* Center on Hunger and Poverty.

productivity.<sup>14</sup> Clearly the problem of child hunger burdens society both by straining current resources and by limiting future productivity.

### **C. Past Research on the Benefits of CACFP**

The Child and Adult Care Food Program helps to reduce child hunger in American communities by allowing kids to receive healthy and nutritious meals at the places where they are cared for each day. Studies conducted by the United States Department of Agriculture (USDA) and the American Dietetic Association have concluded that children cared for at facilities that participate in the CACFP receive meals that are nutritionally superior to meals served in non-CACFP settings.<sup>15</sup> Specifically, children at CACFP centers have higher intakes of key nutrients and fewer days of illness than children at non-participating centers. The Child and Adult Care Food Program directly combats the problems caused by child hunger and undernutrition by enabling care providers to purchase and serve nutritionally-balanced food.

In addition to the direct impact of improving the nutritional intake of children, the CACFP offers many additional benefits to a community. The CACFP strengthens family home daycare, a type of small business that offers entrepreneurial and economic development opportunities to women in low-income communities. The financial support of the CACFP can make home daycare a viable source of income for these providers.<sup>16</sup>

In addition, since the program requires additional home visits and training, the program increases the level of professionalism within the childcare field. The National Center on Children in Poverty reports that the CACFP “may be the most important vehicle available to support low-income providers and help them improve the quality of their child care.”<sup>17</sup> Simultaneously, participation in the program has been shown to help keep childcare affordable for working families.<sup>18</sup> When family home daycare is strengthened and it remains affordable for working families, children ultimately benefit from the higher level of care their families can afford for them to receive.

An additional benefit of CACFP participation is the information about nutrition and healthy eating that is transferred from the care provider to children and their families. Parents are able to learn about proper nutrition for their children while kids are exposed to new foods and develop life-long healthy eating habits. Thus, the anti-hunger benefits of the CACFP spread from the provider, to the family, and remain with the child over his or her lifetime.

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<sup>14</sup> *New Findings About Child Nutrition and Cognitive Development*, Center on Hunger and Poverty.

<sup>15</sup> *Evaluation of the Child and Adult Care Food Program- USDA/Dietary Intake of Children in Urban Day Care Centers*- Journal of the American Dietetic Association

<sup>16</sup> *Linking Human Services and Economic Development*- Center for Community Change

<sup>17</sup> *In the Neighborhood*- National Center for Children in Poverty

<sup>18</sup> *In the Neighborhood*- National Center for Children in Poverty



#### **D. Purpose of Study for Hunger Task Force**

Hunger Task Force is a community-based organization that seeks to prevent hunger and malnutrition by providing food to people in need today and by promoting social policies to achieve food security tomorrow. *The Child and Adult Care Food Program in Milwaukee County* is a project of Hunger Task Force's advocacy department. Through this project Hunger Task Force seeks to learn about the status of the CACFP in Milwaukee County, which anecdotal evidence suggests is not well known or well publicized. In addition to learning about how the CACFP currently benefits care providers in Milwaukee County, we hope to gain an understanding of the legislative, administrative, and policy actions that need to be taken in order to improve and expand the program. These findings will guide Hunger Task Force's future advocacy and outreach efforts related to the Child and Adult Care Food Program.

#### **E. Summary of Findings and Recommendations**

Through our research on the CACFP we found that the program provides considerable financial and informational support to all types of care providers serving children and adults in Milwaukee County. Care providers overwhelmingly recognize the benefit of program participation. However, despite the immense benefits, providers do find the administrative requirements of the program to be a significant burden. In addition, our study found there is a significant need for the program to serve children enrolled in after-school programs through age 18.

In order to improve and expand the CACFP in Milwaukee County, we recommend a variety of actions to streamline and simplify the administrative requirements of the program. Furthermore, we strongly advocate for the expansion of the program to serve more children through age 18 in after-school and emergency shelter settings. More information about our recommendations for program improvement and expansion can be found in the Recommendations Section on page 49.

### **III. Background**

#### **A. Program History**

The Child and Adult Care Food Program (CACFP) began as a pilot program in 1968. It was made permanent in 1978 through an amendment to the National School Lunch Act. At that time, the program only served children in daycare facilities (homes and centers), and was called the Child Care Food Program. The program was renamed in 1989 after it was expanded to include adults in non-residential daycare facilities. Recent changes to the program include expanding to provide snacks and suppers for children up to age 18 in after-school programs and its use in homeless shelters.

#### **B. Administration**

The United States Department of Agriculture's (USDA) Food and Nutrition Service (FNS) is responsible for the administration of the CACFP at the federal level. The FNS provides grants to state agencies, usually the state agency that oversees education, which in turn reimburses sponsoring organizations and daycare facilities for their administrative and meal expenses. In the case of Wisconsin, the CACFP is administered by the Wisconsin Department of Public Instruction (DPI). Other responsibilities of the state administrative agency include outreach, monitoring of enrolled centers and homes, and providing technical assistance to sponsoring organizations and enrolled centers. DPI directly administers CACFP to group childcare centers (including Head Start programs), after-school programs, emergency shelters, and adult daycare centers. In the case of family home daycare providers, DPI works through sponsoring organizations to administer many parts of the program.

Child and Adult Care Food Program sponsoring organizations, hereafter *sponsors*, act as an intermediary between the state administering agency (DPI) and family home daycare providers. These sponsors are responsible for enrolling home providers in the CACFP, processing meal reimbursements, monitoring family homes to ensure that program requirements are being met, and conducting trainings and providing technical assistance on issues such as food safety and the nutritional needs of children. Sponsors receive an administrative reimbursement from the state for each family home provider that is served. Currently, there are eight sponsoring organizations serving the state of Wisconsin. The three sponsoring organizations that operate in Milwaukee County are the Wisconsin Early Childhood Association (WECA), Community Coordinated Child Care – Milwaukee (4Cs), and the Silver Spring Neighborhood Center, Inc.

#### **C. Eligibility**

Programs eligible to participate in the Child and Adult Care Food Program include family home daycare centers, non-profit group childcare centers, Head Start

programs, and after-school programs located in low-income areas. Low-income areas are those in which the local school has 50 percent or more of the children certified to receive free or reduced-price lunch. School meal eligibility is based upon family income and the federal poverty level. This information is summarized in the following chart (*Figure 2.1*).

**Figure 2.1: Federal Poverty Guidelines (FY03)**

Family Size	Federal Poverty Line (monthly/annual)	130% of Poverty (monthly/annual)	185% of Poverty (monthly/annual)
		<b>Free Meal Eligibility</b>	<b>Reduced-Price Meal Eligibility</b>
1	\$748/\$8,980	\$973/\$11,676	\$1,385/\$16,620
2	\$1,010/\$12,120	\$1,313/\$15,756	\$1,869/\$22,428
3	\$1,272/\$15,260	\$1,654/\$19,848	\$2,353/\$28,236
4	\$1,533/\$18,400	\$1,994/\$23,928	\$2,837/\$34,044
5	\$1,795/\$21,540	\$2,334/\$28,008	\$3,321/\$39,852
6	\$2,057/\$24,680	\$2,674/\$32,088	\$3,805/\$45,660

For-profit group childcare centers may also participate if they receive Temporary Assistance for Needy Families (TANF) childcare subsidies for 25 percent or more of the children enrolled in their center.

Emergency shelters may claim reimbursements for meals served to resident children in homeless families. Finally, the CACFP is available to adult day care facilities that care for nonresident adults who are either functionally impaired or over age 60.

In order for programs to enroll in the CACFP they must meet the state's regulatory requirements. In the state of Wisconsin, family home daycare providers must either become licensed by the State Licensing Board or meet certification requirements established at the county level. Group care centers for children and adults must meet requirements established by the State Licensing Board. After-School programs and emergency shelters do not need to meet any state-wide licensing requirements but must either fulfill local requirements for providing group childcare services or fulfill four health and safety standards established by DPI.<sup>19</sup>

In order for daycare providers to claim reimbursements under the CACFP, they must serve participants that meet certain eligibility requirements. These providers may claim up to two meals<sup>20</sup> (breakfast and lunch OR breakfast and supper) and one snack per day OR one meal and two snacks per day for children age 12 and younger.

<sup>19</sup> After school programs and emergency shelters must document compliance with the four health and safety standards by showing 1) a copy of the current occupancy permit, 2) a copy of the current fire inspection report and length of its validity, 3) a copy of the most recent health department inspection report, or certification that there are no applicable local health standards, and 4) certification from the local City or County human services department that there is no local requirement for the site to be licensed for group daycare services.

<sup>20</sup> A sample menu can be found in Appendix D.

Reimbursement guidelines are different for non-daycare providers. Homeless shelters are able to claim reimbursements for up to three meals per day served to resident children age 12 and younger. Migrant children are eligible for the CACFP up to age 15 and persons with disabilities are eligible for the CACFP at any age. After-school programs located in low-income areas can claim reimbursements for snacks served to all children through age 18. If an after-school program chooses to serve supper, it will be reimbursed only for meals served to children age 12 and under who meet the income eligibility requirements. Currently, after-school programs operating in low-income areas in seven states (Delaware, Illinois, Michigan, Missouri, New York, Oregon, and Pennsylvania<sup>21</sup>) are able to claim reimbursements for suppers served to all children under age 18. The table below (Figure 2.2) is a summary of the program's eligibility guidelines:

**Figure 2.2: CACFP Eligibility Summary**

Program Setting	What Ages Can Be Served?	How Is An Individual's Eligibility Determined?	What Meals Can be Claimed Each Day?
Family Home Daycare	12 years and under OR migrant children 15 years and under	Area Eligibility* OR Based Upon Household Income	2 meals and 1 snack OR 1 meal and 2 snacks
Group Childcare Centers	12 years and under OR migrant children 15 years and under	Based upon Household Income	2 meals and 1 snack OR 1 meal and 2 snacks
After School Programs: 12 years and under	12 years and under OR migrant children 15 years and under	Based upon Household Income	1 snack and 1 meal (Supper) - there must be 3 hours between serving the snack and the supper
After-School Programs: Age 13 - Age 18	18 years and under	Area Eligibility*	1 snack
Emergency Shelters	12 years and under OR migrant children 15 years and under	Must Reside in the Emergency Shelter	3 meals
Adult Daycare Centers	functionally impaired adults OR adults 60 years and over	Based upon Household Income	2 meals and 1 snack OR 1 meal and 2 snacks

\* Note: Area Eligibility is based upon elementary school free and reduced-price meal enrollment data. If 50% or more of the families in the school district qualify for free or reduced-price meals (refer to Table 2-1) then the area is considered to be low income. Family home daycare providers in low-income areas qualify for reimbursement at the Tier One rates and After-School Programs serving children ages 13 – 18 in low-income areas qualify for reimbursement of all children served at the "free" rate.

<sup>21</sup> After-school programs in these states are eligible to serve suppers under the CACFP as part of a 7 state pilot program authorized by the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act of 2002 (P.L. 107-76).

## **D. Enrolling and Participating in the CACFP**

### **1. Family Home Daycare Providers**

Family home daycare providers enroll in the CACFP through a sponsoring organization. A representative from the sponsoring organization will visit the provider's home to explain how to document the numbers and types of meals served. Then the provider is responsible for keeping daily attendance and menu records. The format in which the provider must keep menu records is determined by the sponsoring organization and varies from writing in the type of food served to filling in "bubbles" that correspond to codes for certain foods.<sup>22</sup> Some sponsors have designed "Minute Menus" which enable providers to simply "bubble-in" the number of the menu used on a given day. At the end of each month the provider submits the menus and attendance records to the sponsoring organization which then verifies that the meals served meet the meal pattern.<sup>23</sup> The provider receives a reimbursement check, from the sponsoring organization, based on the number of eligible meals served in the month. The sponsoring organization then files a claim with DPI and is reimbursed for payments to family home daycare providers and for administrative expenses.

### **2. Non-Family Home Providers**

In order to participate in the Child and Adult Care Food Program, group childcare centers (including Head Start programs), after-school programs, emergency shelters, and adult daycare centers must establish a contract, to be renewed annually, with DPI. Once a contract has been established, the provider is then responsible for determining the eligibility level (free, reduced-price, or paid) of program participants, keeping records on the quantity of food purchased and served, and maintaining updated information on program participants' household income. Providers are required to keep this information on file for seven years and are audited by DPI once every three years. Each month, CACFP providers must submit to DPI information about the number of meals served in each reimbursement category and production records documenting the quantity and types of foods served for each day in the month. DPI reviews the production records to ensure that the meals served meet the meal pattern. Providers are reimbursed based upon the eligibility level of program participants and the number of eligible meals served.

## **E. Reimbursement levels**

### **1. Family Home Daycare Providers**

Family home daycare providers are reimbursed for their meal costs at either the Tier One or Tier Two level. In order to receive the higher, Tier One, reimbursement rate

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<sup>22</sup> An example of this type of reporting form can be found in Appendix A.

<sup>23</sup> The Meal Pattern varies by age group. Refer to Appendix B for the Infant Meal Pattern and Appendix C for the Children's Meal Pattern.

a provider must be low-income (at or below 185 percent of the Federal poverty level, see *Figure 2.1*) or reside in a low-income area.<sup>24</sup> Tier Two providers are those that are not eligible for Tier One rates. Tier Two providers have the option of identifying low-income children in their care so that meals served to children who qualify for free and reduced-price meals are reimbursed at the higher Tier One rates. The Fiscal Year 2004 (FY04) CACFP reimbursement rates for meals served in family daycare homes are noted in *Figure 2.3* below:

**Figure 2.3: FY04 Reimbursement Rates for Meals Served in Family Daycare Homes**

Meal	Tier One	Tier Two
Breakfast	\$0.99	\$0.37
Lunch and Supper	\$1.83	\$1.10
Snack	\$0.54	\$0.15

The two-tier, means-test system for reimbursing family daycare providers was implemented in 1996. Prior to this, all family home daycare providers were reimbursed at the same rate. It is clear that as a result of the implementation of the means-test, a significant number of family home daycare providers have left the CACFP. Between 1996 and 1998, 8.4% of providers nationwide stopped participation in the program.<sup>25</sup> During the same time period, 6.2% of family providers in Wisconsin left the program.<sup>26</sup>

Sponsoring organizations are reimbursed by DPI for the administrative costs of operating the CACFP. The administrative reimbursement is calculated based upon the number of homes the sponsor serves. As sponsors increase the number of homes they serve, additional homes are reimbursed at a lower monthly rate. For FY04 the administrative reimbursement rates are listed in *Figure 2.4* below:

**Figure 2.4: FY04 Reimbursement Rates for Sponsoring Organizations**

Number of Homes	Rate Per Home Per Month
Initial 50	\$86.00
Next 150	\$65.00
Next 800	\$51.00
Each Additional	\$45.00

<sup>24</sup> Area eligibility for the Tier One reimbursement rate is based upon elementary school free and reduced-price enrollment data. If 50% or more of the families in the school district qualify for free or reduced-price meals then the area is considered to be low income.

<sup>25</sup> "Child and Adult Care Food Program: State-by-State Program Trends" FRAC, pg. 1.

<sup>26</sup> *Ibid.*

## 2. Group Care Centers

Meals served in centers (group childcare centers and adult daycare centers), after-school programs, and emergency shelters are reimbursed at different rates than meals served in family daycare homes. For FY04 the CACFP reimbursement rate for meals served in settings other than family daycare homes is outlined in *Figure 2.5* below:

**Figure 2.5: FY04 Reimbursement Rates for Meals Served in Centers, After-School Programs & Emergency Shelters**

Meal	Free	Reduced-Price	Paid/Non-Needy
Breakfast	\$1.20	\$0.90	\$0.22
Lunch and Supper	\$2.19	\$1.79	\$0.21
Snack	\$0.60	\$0.30	\$0.05

## F. Participation Numbers

According to USDA participation numbers,<sup>27</sup> overall participation in the CACFP is growing at both the national level and in Wisconsin.

**Figure 2.6: CACFP Participation Numbers (National and Wisconsin)**

CACFP: Average Daily Attendance					
	FY99	FY00	FY01	FY02	FY03
<b>U.S. Total</b>	2,669,844	2,707,326	2,725,204	2,851,589	2,880,218
<b>Wisconsin</b>	54,322	57,534	59,428	61,885	63,864
CACFP: Cash Payments					
	FY99	FY00	FY01	FY02	FY03
<b>U.S. Total</b>	\$ 1,438,351,182	\$ 1,501,026,735	\$ 1,548,446,798	\$ 1,657,794,225	\$ 1,729,754,359
<b>Wisconsin</b>	\$ 23,334,375	\$ 25,090,195	\$ 25,888,884	\$ 27,547,314	\$ 29,214,243
CACFP: Total Meals Served					
	FY99	FY00	FY01	FY02	FY03
<b>U.S. Total</b>	1,638,098,963	1,671,284,899	1,680,718,413	1,736,536,308	1,765,990,225
<b>Wisconsin</b>	30,575,739	31,781,882	32,238,691	33,432,815	34,533,187

However, upon closer examination of participation numbers it becomes clear that this growth has occurred in every sector of the program except family home daycare. In fact, while nationally the overall number of meals served under the program has grown, the number of meals served in family homes has dropped every year since 1997, the year that tiering requirements were implemented. The trend of decreased

<sup>27</sup> <http://www.fns.usda.gov/pd/ccsummar.htm> and USDA National Data Bank. FY 2003 data are preliminary.

participation by family home daycare providers has also occurred in Wisconsin, except that participation began to increase in FY 2003. *Figure 2.6* below summarizes recent information about the number of meals served in family homes.

**Figure 2.6: Meals Served in Family Homes**

<b>CACFP: Meals Served in Family Homes</b>							
	<b>FY 1997</b>	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>
<b>U.S. Total</b>	775,432,279	751,452,498	743,670,935	738,164,850	716,975,215	707,729,517	695,442,729
<b>Wisconsin</b>	14,454,854	14,077,807	14,023,187	14,070,314	13,766,280	13,714,535	14,139,639

## **G. Recent Legislation**

Legislatively, the Child and Adult Care Food Program is permanently authorized by Congress. However, Congress traditionally uses the reauthorization process to review CACFP and other Child Nutrition programs every four to five years. Child Nutrition Reauthorization is a chance to make changes to improve the administration and accessibility of the program.

The most recent Child Nutrition Reauthorization process was scheduled to occur prior to the end of FY03 (September 2003). However, Congress passed a bill (H.R. 3232) in November 2003 that extended the authorization for various child nutrition programs<sup>28</sup> (footnote) to March 31, 2004. This bill was signed into law (Public Law 108-134) by the President on November 22, 2003.

Since the signing of this bill, advocacy groups across the country have continued to press for changes to be made within these programs. In 2003, Hunger Task Force worked with other advocates and with staff from the office of U.S. Senator Herb Kohl (D-WI) to craft a series of proposals that could expand and simplify the School Breakfast and Summer Food Programs, as well as the CACFP. What follows is a specific listing of the proposals that were eventually contained in Senate Bill 1022, introduced by Sen. Kohl on May 7, 2003:

- Extend for-profit center eligibility by making permanent the expansion provided in the last two Agriculture Appropriations bills. (For-profit centers may participate if at least 25% of enrolled children meet the income requirements for free and reduced-price meals.)

<sup>28</sup> H.R. 3232 extends requirements relating to: (1) an exclusion of certain military housing allowances from family income determinations for purposes of a child's program eligibility; (2) the Child and Adult Care Food Program; (3) reimbursement to States under commodity distribution programs (for purposes of the National School Lunch and Breakfast Programs, the After-School Snack Program, the Summer Food Service Program, the Child and Adult Care Food Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)); (4) funding maintenance of commodity distribution to schools; and (5) the Summer Food Service Program. (Source: House of Representatives website – [www.house.gov](http://www.house.gov)).



- Make more children eligible for the program in rural areas. (Currently, to receive the maximum reimbursement for meals served, 50% of children in the local school district must be eligible for free or reduced-price lunches. S. 1022 would lower the threshold to 40% in rural areas for two years.)
- Increase administrative reimbursements in rural areas.
- Provide a five-cent increase for reimbursements for snacks.
- Continue funding for improved program management and oversight.
- Add an additional six states to the CACFP supper pilot. (Currently, the supper pilot states include Delaware, Illinois, Michigan, Missouri, New York, Oregon, and Pennsylvania.)
- Allow shelters to serve children up to the age of 18. (The cut-off is currently 12 years of age.)

Hunger Task Force and other advocacy organizations will continue to push for the provisions in S. 1022 as Congress continues its work on child nutrition reauthorization in 2004.

## **IV. Research Methodology**

In order to learn about the Child and Adult Care Food Program in Milwaukee County, Hunger Task Force interviewed and surveyed program administrators, sponsors, care providers and recipients from all program settings. Since the CACFP is primarily used to enable daycare providers to serve healthy and nutritious food, the majority of the research focused on this aspect of the program.

In order to begin researching the CACFP in Milwaukee County, Hunger Task Force requested from DPI a list of all program participants in the county. DPI provided lists of all participating family home daycare providers and all participating group centers. Given the large number of participating daycare providers it was determined that this group would be researched using a survey tool and through in-person interviews. By contrast, the experiences of after-school programs, emergency shelters, and adult daycare centers were researched solely through in-person interviews. These groups were not surveyed because the small number of these types of providers made it possible to interview participating programs from each of these groups.

The opinions and experiences of non-participating providers were also researched in our study. We obtained from the Milwaukee County Department of Health and Human Services (DHHS) a list of all licensed and certified childcare providers in the county. By comparing this list with the lists of participating providers from DPI, we were able to find non-participating family home daycare providers and group childcare centers.

### **A. Survey Methodology**

#### **1. Family Home Daycare Providers**

DPI's original list of family home providers contained a total of 1,468 participating providers and was broken down by sponsoring organization. We were informed by DPI that this list contained duplicate listings of some providers.<sup>29</sup> These duplicate listings were removed, reducing the number of participating providers to 1,341. While going through the list to remove duplicate listings we noticed that the certification or license of some providers had expired.<sup>30</sup> It was decided that providers whose license or certification appeared to have expired should not be included in the survey. All providers whose license or certification expired prior to 9/30/03<sup>31</sup> were removed from the database, leaving 1,256 providers to be surveyed.

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<sup>29</sup> Duplicate listings existed because providers often become certified as a step to becoming licensed. Providers can enroll in the program once they are certified. Once they obtain a license they are re-listed on the DPI database.

<sup>30</sup> It can be assumed that many of these providers who appeared to be participating in the CACFP with an expired certification or license simply had not had their information updated on the DPI database. The provider is responsible for maintaining updated information with the sponsoring organization, which passes the information to DPI. Given the time it takes to transfer this information, it is understandable that some of this information appeared outdated.

<sup>31</sup> The target date for mailing the surveys.

Once the survey tool was developed we met with a family home daycare provider to ensure that the survey tool was logical and easy to complete. This provider's responses were not included in the final survey results. The Family Home Daycare Provider Survey was sent to 1,255 providers in Milwaukee County. Three-hundred and fifty-three providers responded to the survey, for a response rate of 28.1 percent.

## **2. Group Childcare Centers**

DPI's list of group centers categorized agencies in the following ways: independent agencies, sponsors of affiliated sites, and sponsors of unaffiliated sites. Independent agencies are those that administer only one CACFP site. Sponsoring providers are those that operate the CACFP in more than one site. Sponsors of affiliated sites are those that operate the CACFP in sites that are all the same legal entity. Sponsors of unaffiliated sites are providers that operate the program in sites that are not the same legal entity. Only one organization in Milwaukee County operates unaffiliated sites.<sup>32</sup> For this reason, both types of sponsoring agencies were grouped together.

DPI listed 66 independent agencies. Sixty-one of these agencies are group childcare centers, three are emergency shelters, and two are adult daycare centers. In addition, DPI listed 18 sponsoring organizations. These providers use the CACFP in both group childcare and after school program settings. All 18 of the sponsoring organizations operate the CACFP in group childcare settings (including Head Start programs), totaling 166 group childcare sites. Four of the 18 sponsoring providers also operate the CACFP in after school program settings, totaling 56 sites across the county.

Since the goal of the survey tool was to assess the opinions of those involved with directly operating the program, the survey was sent to the 61 group childcare centers that independently contract with DPI. The opinions of the remaining independent contract agencies (the emergency shelters and adult daycare centers) and the sponsoring providers were gathered through in-person interviews. The survey response rate for group childcare centers was 54.1percent.

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<sup>32</sup> The Social Development Commission (SDC) operates a number of Head Start programs and after-school programs across the county. In addition, group childcare centers and after-school programs NOT directly administered by SDC can contract with SDC to receive meals and snacks. SDC uses the CACFP to claim reimbursements for these meals.

## **B. Interview Methodology**

In addition to the use of a survey tool, Hunger Task Force conducted in-person interviews with participating and non-participating providers in each of the five settings.

### **1. Family Home Daycare Providers**

#### **a. Participating Providers**

We conducted interviews with 15 family home daycare providers that participate in the CACFP. We met with participating family home daycare providers based upon recommendations made by the sponsoring organizations. All three sponsoring organizations that operate in Milwaukee County were represented in the interviews and interviews were conducted with both Tier One and Tier Two providers. The Silver Spring Neighborhood Center, one of the sponsoring organizations, only serves providers located in the northwest corner of the City of Milwaukee. As a result of this geographic limitation, this sponsor does not have any providers that are reimbursed at the Tier Two rates.

Interviews were also conducted with all three of the sponsoring organizations that serve Milwaukee County and one sponsoring agency that serves the Green Bay area in northern Wisconsin. A summary of the interviews can be found in the Results Section, beginning on page 28.

#### **b. Nonparticipating Providers**

We conducted interviews with family home daycare providers that do not participate in the program. We used two methods to find non-participating providers to interview. We began by obtaining recommendations from Community Coordinated Child Care that, in addition to sponsoring the CACFP, is also the Child Care Resource and Referral agency for Milwaukee County. We also randomly selected licensed and certified providers to interview by using the list obtained from DHHS.

#### **c. Summary of Family Home Daycare Provider Interviews**

The types of interviews conducted with both participating and non-participating family home daycare providers is summarized in *Figure 3.1*. Information obtained from these interviews can be found in the Results Section on page 34.

**Figure 3.1: Interviews With Family Home Daycare Providers**

<b>Sponsoring Organization</b>	<b>Total Number of Interviews Conducted</b>	<b>Tier One Interviews</b>	<b>Tier Two Interviews</b>
Silver Spring Neighborhood Center	4	4	0
Community Coordinated Child Care (4Cs)	5	3	2
Wisconsin Early Childhood Association	6	3	3
Sub-Total	15	10	5
Non-Participating	4	n/a	n/a
Total	19		

## **2. Group Childcare Centers**

### **a. Participating**

Among participating sites, we interviewed both independent agencies and sponsors of affiliated and unaffiliated sites. We identified independent agencies to interview based upon their responses to the survey and their geographical location. We looked for centers that not only completed and returned the survey, but also had significant comments about the issues touched upon in the survey. We did not look for a positive or negative slant to the comments made by the centers. We then considered geographical location to ensure that the centers were located in various parts of Milwaukee County. We interviewed five independent group childcare centers that participate in the CACFP.

We identified sponsors of affiliated and unaffiliated sites to interview based upon the percentage of CACFP sites that they sponsor in Milwaukee County. We looked to interview those agencies that had the greatest market share of CACFP group childcare sites. We met with the four agencies that sponsor the largest number of group childcare sites in Milwaukee County. In total, these four agencies sponsor the CACFP at 123 sites throughout the county, out of a total of 166 sites. The findings of our interviews with participating group childcare sites can be found in the Results Section.

### **b. Non-Participating**

We identified non-participating centers for interviews by randomly selecting centers from the list of licensed centers provided by the county DHHS.

### **c. Summary of Interviews with Group Childcare Centers**

Among the three groups of childcare centers we interviewed there was a mix of both non-profit and eligible for-profit centers. A summary of Information about the centers we interviewed can be viewed in the chart below (*Figure 3.2*):

**Figure 3.2: Interviews with Group Childcare Centers**

	Total Number of Interviews Conducted	Non-Profit	Eligible For-Profit
Participating: Independent Centers	5	2	3
Participating: Sponsoring Agencies	4	2	2
Subtotal	9	4	5
Non-Participating Centers	3	1	2
Total	12	5	7

### **3. After-School Programs**

Based on information provided by DPI, there are 56 after-school program sites in Milwaukee County that receive snacks and meals through the CACFP. The CACFP is administered at these sites through four sponsoring agencies. Two of these sponsoring agencies were interviewed about their opinions on the program in the context of group childcare.<sup>33</sup> Of the two remaining sponsoring agencies we randomly selected one to interview specifically about CACFP in after-school programs. A summary of these interviews can be found in the Results Section.

### **4. Emergency Shelters**

The three emergency shelters that participate in the CACFP each independently contract with DPI. We randomly selected two of these shelters to interview about their experience in the CACFP. Information from these interviews can be found in the Results Section.

### **5. Adult Daycare Centers**

The two adult daycare centers that participate in the CACFP each independently contract with DPI. We randomly selected one center to interview. This interview is summarized in the Results Section.

## **C. Mapping Project Methodology**

In addition to the survey and interview components of this assessment project, Hunger Task Force also worked with the Nonprofit Center of Milwaukee to create a series of maps to compare the locations of participating and non-participating childcare providers with current poverty data. In order to complete this project, the Hunger Task Force provided the Nonprofit Center with information regarding the locations of childcare providers.

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<sup>33</sup> These two agencies are the Social Development Commission (SDC) and Ebenezer Child Care Centers, Inc. During interviews with these agencies their opinions about CACFP in both group childcare settings and after school programs were discussed.

We provided the Nonprofit Center with the lists we had obtained from the county DHHS (listing all licensed and certified home providers and all licensed centers) and the lists we had obtained from DPI (listing all participating family home providers and group childcare centers). Information regarding poverty levels was supplied by the Nonprofit Center. The Nonprofit Center uses U.S. Census data to maintain updated files on various poverty indicators as they apply to Milwaukee County.

Maps were created to depict both family home daycare providers and group childcare center providers. Each map distinguished between participating and non-participating providers. Two maps were created for family home daycare providers. One map compared the locations of participating and non-participating providers with child poverty data. The second map compared the locations of participating and non-participating providers with area eligibility for Tier One reimbursement rates. The one map depicting group childcare centers compared the locations of participating and non-participating centers with child poverty data.

These maps can be obtained in an electronic form by accessing the Hunger Task Force website ([www.hungertaskforce.org](http://www.hungertaskforce.org)).

## V. Research Results

### A. Family Home Daycare Providers

#### 1. Review of Survey Data

Family home daycare providers were surveyed about their opinions regarding their participation in the Child and Adult Care Food Program (CACFP). The results of the survey are summarized below.

##### a. Demographic Picture of the Response Pool

A total of 1,255 surveys were sent to family home daycare providers in Milwaukee County. Three-hundred and fifty-three surveys were returned, for a response rate of 28.1%.<sup>34</sup> The opinions of providers from all three sponsoring organizations serving Milwaukee County were included in the final results. *Figure 4.1-1* shows the breakdown of respondents by sponsoring organization.

**Figure 4.1-1: Response Rate by Sponsoring Organization**

Sponsoring Organization	Silver Spring Neighborhood Center	Community Coordinated Child Care	Wisconsin Early Childhood Association
Number of Surveys Sent	59	604	591
Number of Surveys Returned	14	156	183
Response Rate	23.7%	25.8%	31.0%

In terms of regulation type, the response pool was comprised of slightly more licensed providers (54.4%) than certified providers (45.6%). On average, respondents provided childcare for an average of 6.7 children each day. *Figure 4.1-2* provides more information about the size of the home daycare centers operated by providers participating in the survey.

**Figure 4.1-2: Size of Home Daycare Centers**

Numerical Range of Children Cared For	Number of Providers	Percent of Providers
1-3 children	54	15.7%
4-6 children	128	37.1%
7-8 children	100	29.0%
8+children	63	18.2%

Family daycare providers were asked both about the length of time that they have provided daycare in their home and the length of time during which they have participated in the CACFP. Providers reported having operated their home daycare

<sup>34</sup> Not all respondents answered every question. For a breakdown of the response rate by question, please see Appendix E.



center for slightly longer periods of time than they reported participating in the CACFP, indicating that there is a gap in the time between when a provider begins providing home daycare and when the provider enrolls in the CACFP. See *Figure 4.1-3* for more information.

**Figure 4.1-3: Length of Time Providing Home Daycare and Participating in the CACFP**

Length of Time	Q2. How long have you provided daycare in your home?		Q3. How long have you participated in the CACFP?	
	Number	Percent	Number	Percent
less than 1 year	30	8.6%	41	12.0%
1 year - 3 years	135	38.7%	131	38.2%
3+ years - 7 years	105	30.1%	108	31.5%
7+ years - 10 years	36	10.3%	33	9.6%
10+ years	45	12.9%	30	8.7%

This pattern of enrolling in the CACFP shortly after becoming licensed or certified to provide home daycare is supported by respondents' answers to a question about how they found out about the program. Three-fourths of respondents stated that they received information about the program when they became licensed or certified. *Figure 4.1-4* provides information about the different ways providers became aware of the program (some respondents indicated that they learned about the program from more than one source).

**Figure 4.1-4: CACFP Awareness**

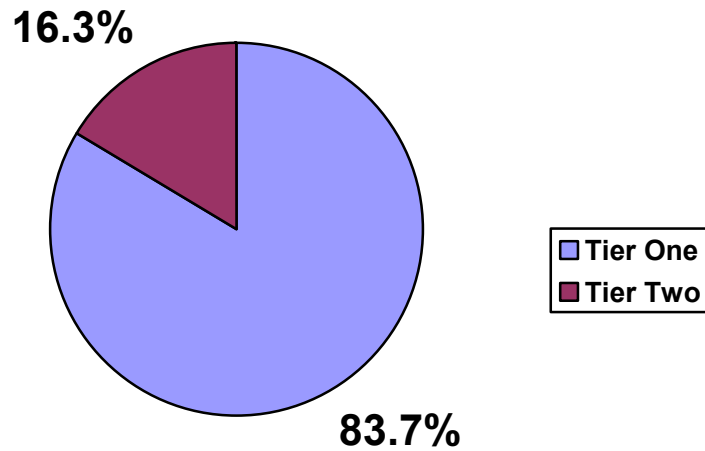
Q4. How did you first learn about the CACFP?		
	Number of Respondents	Percent of Respondents
I received information about the program when I became licensed/certified as a home childcare provider.	270	76.5%
Another home childcare provider I know told me about the program.	58	16.4%
I found out about the program through my own research.	26	7.4%
Other	18	5.1%

The final demographic characteristic that family home daycare providers were asked about was their reimbursement level. Some 83.7% of respondents reported that they qualify for Tier One reimbursement rates.<sup>35</sup> According to sponsoring organizations serving Milwaukee County, our sample of 83.7% of respondents receiving Tier One rates and 16.3% of respondents receiving Tier Two rates is skewed towards Tier Two providers. Sponsoring organizations report a significantly lower percentage of Tier Two providers in Milwaukee County. A possible explanation for this difference is that Tier Two providers might have been more likely

<sup>35</sup> For an explanation of the difference between Tier One and Tier Two providers, refer to the Background Section on page 8.

to complete and return the survey because have strong opinions about receiving the lower reimbursement rate.

**Figure 4.1-5: Reimbursement Level**



**b. Benefits of CACFP Participation**

Family home daycare providers were asked if they thought that their participation in the CACFP was of any benefit to the children they cared for in their home. 87.2% of respondents agreed that CACFP participation benefited the children in their daycare. Providers were asked to identify the specific benefits they saw. *Figure 4.1-6* summarizes their opinions about specific CACFP benefits.

**Figure 4.1-6: CACFP Benefits for Children**

Q6. Does your participation in the CACFP benefit the children you care for in your home?		
	Number of Respondents	Percent of Respondents
No	45	12.7%
Yes	308	87.3%
<b>If yes, what are the benefits?</b>		
Children learn about eating healthy/nutritious food.	320	90.7%
Children learn table manners.	296	83.8%
Children have nutritious meals they might not otherwise receive.	292	82.7%
Children are able to socialize while sharing a meal together.	289	81.8%
Children learn about food preparation.	247	70.0%
Helps parents stretch food dollars.	215	60.9%
Improves behavior and attention of children.	198	56.1%
The families of children cared for in my home have been connected to additional social services.	102	28.9%
Other	28	7.9%

Providers were also asked if their participation in the CACFP enabled them to provide better childcare to the children enrolled in their home daycare center; 86.1% of respondents indicated that by their participation in the program, they were able to provide higher quality childcare.

As a follow-up to this question, daycare providers were asked about the specific ways in which they were able to provide better childcare. Their responses are summarized in *Figure 4.1-7*.

**Figure 4.1-7: CACFP Benefits for Providers**

<b>Q7. Does your participation in the Child and Adult Care Food Program help you provide better childcare?</b>		
	Number of Responses	Percent of Responses
No	49	13.9%
Yes	304	86.1%
<b>If yes, what are the benefits?</b>		
I have learned about the foods children need for a nutritious diet.	283	80.2%
I have learned how to prepare nutritious meals.	278	78.8%
I have learned about proper handling and preparation of food.	270	76.5%
I have received trainings and information about childcare in general.	255	72.2%
I have learned how to read a food label.	226	64.0%
I can provide food that I otherwise could not afford to provide to children in my home childcare facility.	224	63.5%
It helps me keep the cost of home childcare affordable for those in my neighborhood.	208	58.9%
Other	25	7.1%

### **c. Program Requirements**

Next, survey respondents were asked a series of questions regarding the difficulty level of meeting various program requirements. They were asked to rank the difficulty level of meeting a given program requirement on a scale of 1 (not at all difficult) to 5 (very difficult). Based upon our background research on the CACFP, we had expected providers to report considerable difficulty with meeting some of the program's participation requirements. We were surprised when survey respondents overwhelmingly reported difficulty levels of 1 and 2 for the various requirements. *Figure 4.1-8* summarizes these findings.

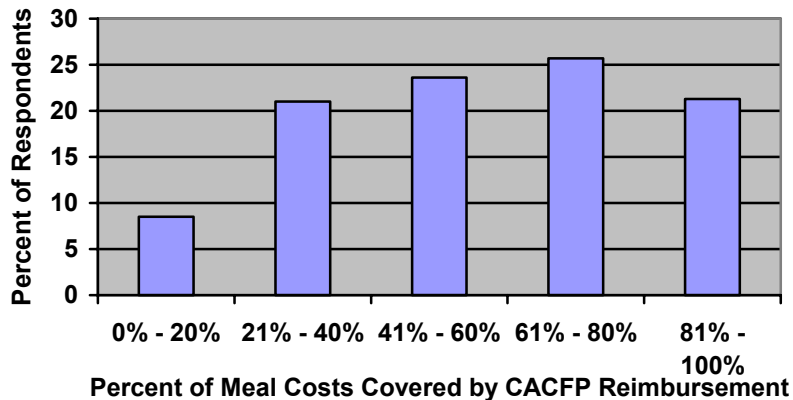
**Figure 4.1-8: Difficulty of Meeting CACFP Requirements**

<b>Q8. Please rank the difficulty level of meeting the following requirements:</b>		
	Number of Responses	Percent of Responses
<b>a. Maintaining the health and safety standards necessary for my certification/license</b>		
Not Difficult (1 or 2)	313	90.2%
Moderate Difficulty (3)	19	5.5%
Very Difficult (4 or 5)	15	4.3%
<b>b. Planning and preparing meals that meet the meal pattern</b>		
Not Difficult (1 or 2)	323	93.9%
Moderate Difficulty (3)	12	3.5%
Very Difficult (4 or 5)	8	2.3%
<b>c. Completing paperwork to keep track of the numbers and types of meals served</b>		
Not Difficult (1 or 2)	291	84.1%
Moderate Difficulty (3)	28	7.1%
Very Difficult (4 or 5)	27	7.8%
<b>d. Attending the required trainings and workshops</b>		
Not Difficult (1 or 2)	319	92.1%
Moderate Difficulty (3)	14	4.0%
Very Difficult (4 or 5)	13	3.8%

#### **d. Reimbursement Rate**

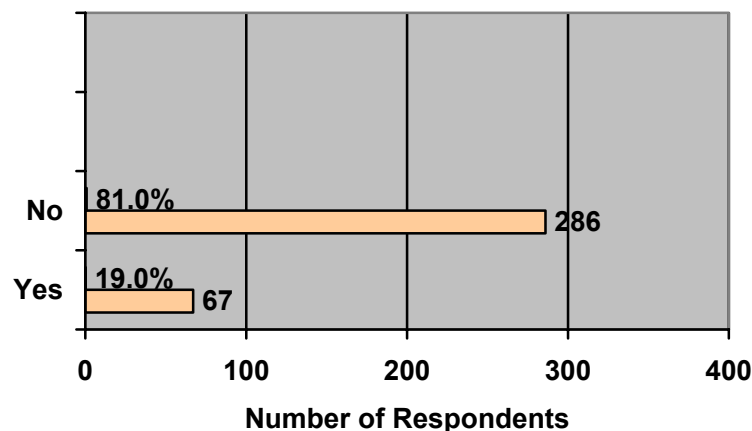
The next section of the survey obtained data about the CACFP reimbursement. First, providers were asked to report what percentage of their daycare food costs were covered by their CACFP reimbursement check. Slightly more than half of respondents reported that the CACFP reimbursement covered 60% or less of their daycare meal costs.

**Figure 4.1-9: CACFP Reimbursement as Percentage of Total Meal Costs**



Next, family daycare providers were asked if they thought that the reimbursement rate was high enough to make their participation in the program worthwhile. 81.0% of respondents indicated that the reimbursement rate was not high enough to justify their participation in the program (see *Figure 4.1-10* below). In the Comments section for this question,<sup>36</sup> many providers explained that they remained in the program because “something is better than nothing.”

**Figure 4.1-10: Do you think that the reimbursement rate is high enough to make your participation in the CACFP worthwhile?**

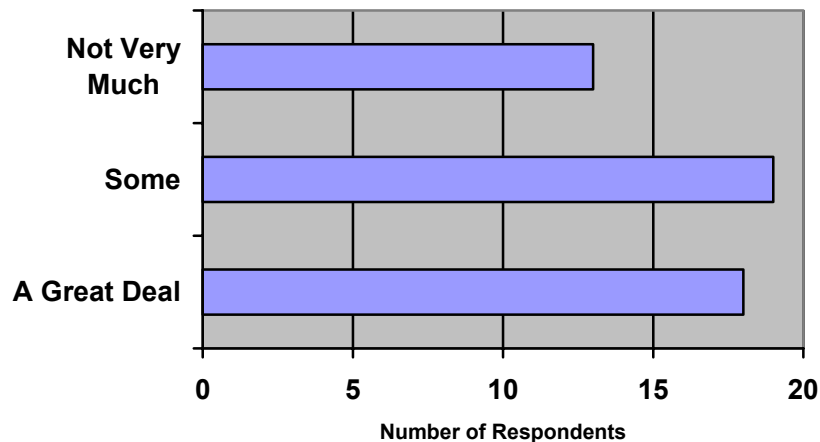


The final question about the reimbursement rate was asked solely of Tier Two providers. Of the 55 respondents that identified themselves as Tier Two providers, 50 responded to this question. We were interested in finding out to what extent the lower rate they received for some children in their care affected the meals that they

<sup>36</sup> Question 10: Do you think that the reimbursement rate is high enough to make your participation in the program worthwhile? If no, what would be a fair reimbursement rate?

served.<sup>37</sup> Respondents were divided evenly between the three choices: a great deal, some, and not very much. *Figure 4.1-11* provides more information.

**Figure 4.1-11: How much does the lower reimbursement rate you receive for some children in your home affect your meal planning?**



#### e. Overall View of the CACFP

In the final question of the survey, family daycare providers were asked to rank their experience in the CACFP on a scale of 1 (not at all positive) to 5 (very positive). 88.0% of respondents reported a favorable (4 or 5) experience with the program.

**Figure 4.1-12: Overall Ranking of the Program**

Q12. Overall, what are your feelings about your participation in the CACFP?		
	Number of Responses	Percent of Responses
Negative (1 or 2)	11	4.0%
Indifferent (3)	22	8.2%
Positive (4 or 5)	241	88.0%

## 2. Review of Interviews

#### a. Interviews with Family Home Daycare Providers

As part of our assessment of the CACFP in Milwaukee County, we met with and interviewed 15 family home daycare providers in order to gain supplemental anecdotes about the program.<sup>38</sup> In these interviews, providers were asked a series of seven standard questions. By answering these questions they shared their

<sup>37</sup> Question 11: How much does the lower reimbursement rate you receive for some children in your home affect your meal planning? (Choose one) A great deal, some, not very much.

<sup>38</sup> For more information on how we identified providers to interview, please refer to the Research Methodology Section on page 16.

opinions about the benefits of CACFP participation, program requirements, and the reimbursement rate. There was significant consensus among providers' opinions regarding these issues. Their opinions are summarized below.

## 1. Program Benefits

Family home daycare providers identified 3 primary benefits resulting from their participation in the CACFP. First, many providers emphasized that CACFP participation made their family home daycare center more professional. Through the annually required trainings, providers learned important new nutrition information for children and were able to network with other home daycare providers in their area. The camaraderie established among home daycare providers provides both a support structure and an additional information resource for them. Many providers use their participation in the CACFP as a selling point to parents wishing to enroll their children in their home daycare facility.

"It keeps the meal standards high, and I feel good providing nutritious meals at my daycare, especially when I know that children might not get them at home."

- Family Home Childcare Provider

The second benefit identified by many of the providers was the healthy eating habits developed by children in their care. Providers felt that they were able to expose children to new foods and also teach children about the necessary elements of a nutritious meal. Providers emphasized that children bring these habits home, something evidenced by reports that children often demand the missing parts of a meal if a parent neglects to serve a fruit or vegetable at home. Also, many providers that serve school-age children report that these children come to daycare before school, where they are able to receive a hot breakfast before beginning the school day. This experience helps children understand the importance of eating breakfast each day.

"The food program does more than just reimburse money, it also educates the provider and helps us educate our parents. It is very helpful. I love the food program."

- Family Home Childcare Provider

The final benefit identified by providers was the financial assistance of the monthly CACFP reimbursement check. Providers stated that the money they otherwise would have spent on food is instead reinvested into the daycare. Providers are able to reinvest in the daycare either by keeping enrollment rates affordable for parents or by spending greater resources on educational and programmatic materials for the children in their care. Taken together these three benefits may explain why many CACFP providers hold the contradictory view that the low reimbursement rate did not justify their participation in the program, yet then still identify substantial qualitative benefits to participation.

## 2. Program Requirements

During the interviews providers were asked about meeting the meal requirements, completing paperwork to claim their reimbursement, and attending the required trainings. Information obtained during the interviews corresponds to survey data indicating that providers do not find it difficult to meet these requirements.

The general consensus among providers was that the meal pattern “made sense” and it was not difficult to plan and prepare meals within these guidelines. Many providers reported using the “Minute Menu,” preplanned menus prepared by several of the sponsoring organizations.<sup>39</sup> There were mixed reactions about the value of the “minute menus.” Some providers found them to include foods that kids enjoy eating, while others found that children do not like many of the foods included in the menus.

In general, family home daycare providers did not find it difficult or time consuming to record the information necessary to claim their reimbursement. Some providers mentioned that it was difficult to get used to the paperwork when they first joined the program, but once they became organized and established a

“Sometimes I inadvertently forget to fill in the appropriate circle on the monthly form... and then I lose (even this little) compensation I would normally receive, even though I did provide and pay for a quality meal or snack.”

- Family Home  
Daycare Provider

system, the paperwork became easier, to the point that the paperwork no longer presented a challenge. There was no consensus about which form of paperwork was better (writing in the types of foods served or the “bubble-in” method); providers seemed to adjust to whichever method their sponsoring agency adopted. Several providers did mention that with the “bubble-in” method it was very easy to make mistakes (filling-in the wrong number which would indicate a different type of food). These mistakes do cost providers money, as “bubbling in” the wrong code can cause meals to be “disallowed” preventing the provider from being reimbursed for the meal.

Finally, providers were asked to comment on the required trainings and workshops. Providers overwhelmingly indicated that they enjoy these events. Even providers that had been involved in the program for a considerable amount of time reported learning something new each time they attended a training or workshop. Many of the providers we interviewed indicated that they would like the opportunity to attend more of these events.

## 3. Reimbursement Issues

In general, providers we interviewed indicated that the CACFP reimbursement rate does not cover all of their food expenses.<sup>40</sup> Through our conversations with providers we were able to understand some of the reasons why this occurs. First,

<sup>39</sup> In Milwaukee County, “minute menus” are used by 4Cs and WECA.

<sup>40</sup> This finding is supported by the survey data. Refer to page 27.



many providers readily admit that the reimbursement does not cover the entirety of their food costs because they choose to serve fresh foods, which are more expensive. Providers we interviewed emphasized that they prefer to serve fresh fruits and vegetables rather than canned or frozen versions because fresh foods are more nutritious. This choice makes it more expensive for these providers to prepare meals. Another reason that the CACFP reimbursement might not cover all of a provider's food costs is because of the age range of children that are eligible for the CACFP. An 11-year old elementary age child will eat more than a 3-year old toddler. While the meal pattern portion size guidelines account for this, the reimbursement rate does not.<sup>41</sup> Providers that have school-age children in their care reported the CACFP reimbursement covers a smaller percentage of their total meal expenses during the summer months when they care for these children all day, instead of just before and after school.

Among Tier Two providers we interviewed, there was unanimous agreement that the two-tiered system of reimbursement is unfair. Providers pointed out that they serve the same food to all children in their care, whether they are reimbursed at the higher or lower rate. This means that the provider is ultimately the one that bears the financial burden of this reimbursement system. Providers also expressed the sentiment that it was unfair to classify a provider as Tier One or Tier Two simply based on area eligibility. Tier Two providers seemed to resent the fact that other providers were able to qualify for the higher, Tier One, rates simply "because they live in the right ZIP code." Rather, they suggested that eligibility for the higher rates should be based on the income of each individual provider or on the family incomes of individual children.

"Get rid of the Tier system. It's unfair and discriminates against those who live in different neighborhoods."

- Family Home Daycare Provider

"I think that everyone should receive the same rate regardless of income; the cost of food is the same."

- Family Home Daycare Provider

## **b. Interviews with Sponsoring Organizations**

In our interviews with the three sponsoring organizations that serve Milwaukee County and one sponsoring agency that serves northern Wisconsin, we sought to understand the responsibilities of these organizations in operating the CACFP. Through our conversations with these agencies it became clear that two of the issues that most affect sponsors' ability to administer the CACFP are the increasing administrative demands made upon sponsoring agencies and the difficulty of doing outreach to non-participating home daycare providers.

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<sup>41</sup> Refer to Appendix B and C for the Meal Pattern Guidelines. Information on reimbursement rates can be found in the Background Section on pages 11-13.

## **1. Administrative Costs**

All four sponsoring agencies emphasized the trend in recent years of increased administrative demands being made upon sponsoring organizations without a comparable increase in the administrative reimbursement rate. Sponsors do a great deal of work administering the program. They are required to conduct three home visits each year, provide nutrition-related technical assistance and information to daycare providers, and review monthly paperwork to determine the reimbursement amount. These activities incur basic costs: the cost of transportation for home visits, the cost of paper to print the claim forms, and the cost of employing staff to perform the required monitoring. In addition, sponsors must devote additional resources to, yet get no additional resources for serving, providers that have problems meeting the program requirements or providers for whom English is a second language. An additional administrative burden placed upon sponsors is the requirement that they renew their contract with the Department of Public Instruction (DPI) each year. Sponsors indicated that this renewal process requires considerable time and paperwork.

In an effort to deal with rising costs not matched by increases in the administrative reimbursement rate, sponsors have been forced to respond in several different ways. First, sponsors have cut back on the “extras” they have traditionally provided for family home daycare providers. One sponsor serving Milwaukee County used to bring books to childcare providers each time they made a home visit for the CACFP. This sponsor reports that they are no longer able to afford this. Other cuts have been in the number of training and networking days coordinated by the sponsoring agency each year, events which family home daycare providers told us they enjoy. These cuts in the extra support a sponsoring agency is able to provide have a direct, negative impact on the children and provider.

Sponsors have also tried to deal with rising administrative costs by looking for ways to streamline and reduce the amount of paperwork. This administrative need is what prompted two sponsoring agencies in Milwaukee County to adopt the “bubble-in” method of meal reporting. This enables sponsoring organizations to feed the forms through a machine to obtain information about the types of foods served, rather than read hand-written forms from all providers. This allows greater staff time to be spent conducting home visits and providing direct support to home daycare providers.

### **a. Case Study: Internet-Based Claims Systems**

Some sponsoring agencies are in the process of taking the next step to reduce paperwork and administrative costs by developing Internet-based claim forms for providers to use, ultimately resulting in a paperless claims system. Sponsoring organizations have used different methods to develop the computer program necessary for this type of system. Some have been able to develop the technology internally while others have contracted with software companies to design the necessary programs.

While there is the possibility of considerable start-up costs associated with developing such a system, sponsors hope that the long-run savings will make this approach cost-effective. Once the system is developed, sponsors are charged a monthly fee for each provider that files an online claim. While the cost of paper claims forms is likely to be comparable to the monthly filing fee, the system can save a sponsor money by automating the claims process; it will no longer be necessary for a staff person to manually check providers' paperwork and compute the reimbursement amount. This will free up staff time for training, technical assistance, and providing support to home daycare providers. Sponsoring agencies with this type of system in place report that it has resulted in considerable savings.

"... I would rather use a computerized system. There are a lot of forms to keep track of on a daily basis. Sending information via computer would cut down on using paper, and possibly errors."

- Family Home Daycare Provider

An Internet-based claims filing system also benefits family home daycare providers by reducing the possibility of errors. When we asked family home daycare providers that we interviewed what they thought about such a system there were mixed reactions. Some providers were enthusiastic about such an idea while others pointed out that it might become a hassle because in many homes the computer is not located near the kitchen where meals are served.

While it cannot be assumed that every provider will have a home computer and Internet access or that this approach would work for every provider, it seems that it should be an option for providers that would prefer to file their claims this way.

## **2. Outreach**

Sponsoring organizations are also responsible for doing outreach to un-enrolled family daycare homes. Through our interviews with sponsoring organizations we learned more about how they exercise this responsibility.

According to the sponsors we interviewed, the majority of outreach work is targeted towards family home daycare providers that are licensed or certified to provide home daycare. Sponsoring organizations distribute brochures to providers when they become licensed or certified and include information about the CACFP in the classes that providers are required to complete in order to obtain a license or certificate.

Sponsors view the outreach requirement as another example of increased administrative burden without an increase in administrative funds. DPI does administer USDA expansion grants to help sponsors conduct outreach. However, sponsors must apply every year for these one-year grants, and the outreach must be targeted to low-income or rural areas.

It is important to point out a gap in the outreach work that is being done to expand CACFP participation to sites that do not operate the program. All outreach work is currently being targeted towards home daycare providers that are already licensed or certified to operate a facility.

### **c. Interviews with Non-Participating Family Home Daycare Providers**

The final set of interviews aimed at learning about the CACFP in family home daycare settings were conducted among licensed or certified family home providers that do not participate in the CACFP. Several of the providers we interviewed had previously been involved with the CACFP at one point in time. Their reasons for not participating in the CACFP are different from the reasons of those providers that have never enrolled in the program.

Among family home daycare providers that used to participate in the CACFP, there was a sentiment that the effort necessary for participation was not worth the ultimate benefit. These providers indicated that they had a hard time keeping up with the paperwork and that they would rather spend this time with the children in their care. These providers tended to dislike the “Minute Menus,” and found that it added to their paperwork responsibilities if they wanted to serve meals that were not pre-approved. Finally, non-participating providers mentioned that they felt that their reimbursement check caused them to be “double-taxed,” both on their income and on their CACFP reimbursement.<sup>42</sup>

Among family home daycare providers that have never participated in the CACFP, the primary reason for not participating seems to be a lack of understanding about what the program does and how it could benefit them. These providers had all heard of the program and received information on how to enroll when they became licensed or certified. However, for many of them, enrolling in the CACFP became something that they “were always meaning to do, but just never got around to doing.” A greater understanding of the program and its benefits would help to motivate these providers to enroll.

## **B. Group Childcare Centers**

### **1. Review of Survey Data**

Center administrators at all group childcare centers in Milwaukee County that independently contract with DPI to participate in the CACFP were surveyed during the fall of 2003. In the survey, administrators were asked about their center’s experiences participating in the CACFP. The data gathered through this survey project are summarized in this section.

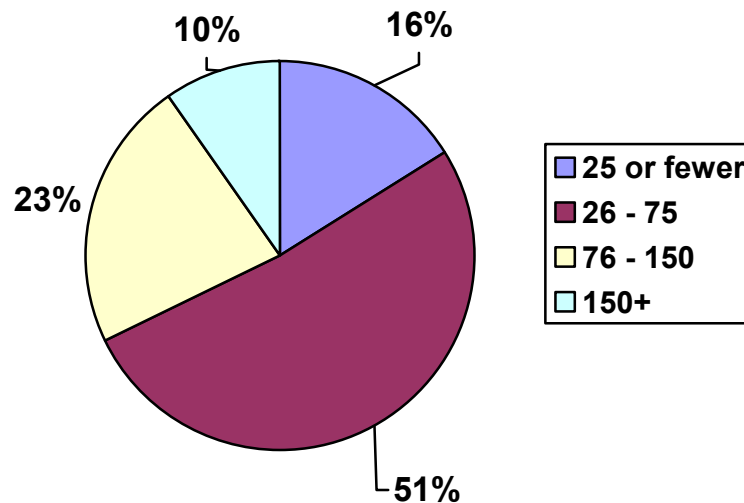
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<sup>42</sup> Daycare providers are taxed on their CACFP reimbursement; however, this is balanced out by the fact that they are able to claim all daycare-related food costs as business expenses.

### a. Demographic Picture of the Response Pool

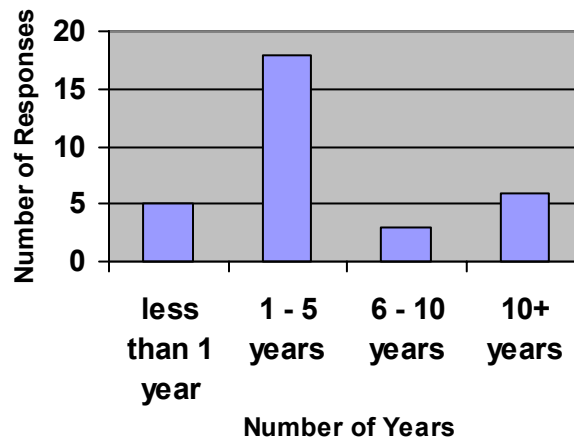
Of the 61 group childcare centers in Milwaukee County that received the survey, 33 centers completed and returned the survey, for a response rate of 54.1%. The centers included in the survey varied in size from having as few as 11 children enrolled to as many as 238 children enrolled. Slightly over half of the centers (51.6%) reported an enrollment of between 26 and 75 children. The average enrollment was 70.4 children. Information about the size of centers included in the survey results is summarized in *Figure 4.2-1*.

**Figure 4.2-1: Number of Enrolled Children**



Administrators of group childcare centers were also asked about the length of time that their center has participated in the CACFP. Over half of respondents (56.3%) reported having participated in the program for between 1 and 5 years, and the average length of participation was 6 years. See *Figure 4.2-2* for more information.

**Figure 4.2-2: Length of Time Participating in the CACFP**



### b. Benefits of CACFP Participation

Group childcare center administrators were asked if they thought that CACFP participation was of any benefit to the children enrolled in their center and to the center itself. Ninety-four percent of administrators indicated that they believed that their center's participation in the program benefited the children in their care. Their opinions about the specific benefits that resulted from program participation are summarized in *Figure 4.2-3*.

**Figure 4.2-3: CACFP Benefits for Children**

Q3. Is your center's participation in the CACFP of any benefit to the children cared for in your facility?		
	Number of Responses	Percent of Responses
No	2	6.1%
Yes	31	94.0%
<b>If yes, what are the benefits?</b>		
Children have nutritious meals that they might otherwise not receive	27	81.8%
Children learn about eating nutritious/healthy food	27	81.8%
Children are able to socialize while sharing a meal together	27	81.8%
Children learn table manners	26	78.8%
Improves behavior and attention of children	19	57.6%
Helps parents stretch food dollars	19	57.6%
Children learn about food preparation	14	42.4%
The families of the children cared for at my center have been connected to additional social services	9	27.3%
Other	3	9.1%

Ninety-four percent of group childcare center administrators also indicated that CACFP participation helps the center to provide better childcare. *Figure 4.2-4* summarizes the specific benefits these administrators identified.

**Figure 4.2-4: CACFP Benefits for Centers**

<b>Q4. Is your center's participation in the CACFP of any benefit to you as a childcare provider?</b>		
	Number of Responses	Percent of Responses
No	2	6.1%
Yes	31	94.0%
<b>If yes, what are the benefits?</b>		
It allows the center to provide nutritious food that we otherwise would have to ask families to provide or charge an additional fee for	25	75.8%
The center staff has learned how to plan and prepare nutritious meals	25	75.8%
It ensures that the center will safely and properly handle food	23	69.7%
The Center staff has received trainings and information about childcare in general	23	69.7%
It helps the center provide childcare at an affordable cost for those in the neighborhood	18	54.6%
Other	2	6.1%

**c. Program Requirements**

Group childcare center administrators were asked about the difficulty of meeting a variety of the requirements necessary to participate in the CACFP. Administrators reported having little difficulty meeting requirements such as maintaining health and safety standards but reported more difficulty with the need to determine program eligibility for enrolled children and the requirement of maintaining updated eligibility records. Their opinions about the CACFP program requirements are summarized in *Figure 4.2-5*.

**Figure 4.2-5: Difficulty of Meeting Program Requirements**

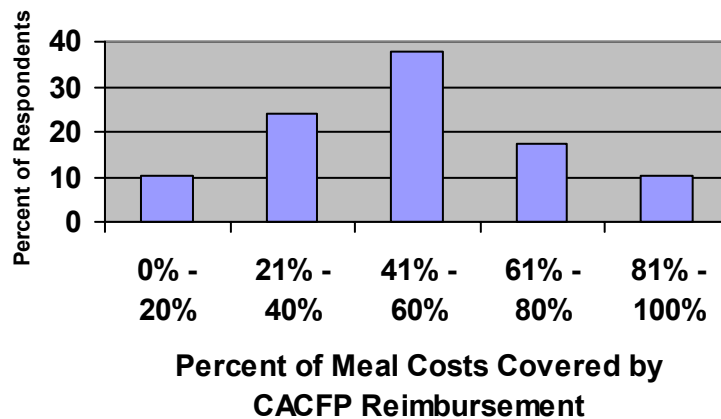
<b>Q5. Please rank the difficulty level of meeting the following requirements:</b>		
	Number of Responses	Percent of Responses
<b>a. Maintaining the health and safety standards necessary for our license</b>		
Not Difficult (1 or 2)	32	97.0%
Moderate Difficulty (3)	1	3.0%
Very Difficult (4 or 5)	0	0.0%
<b>b. Planning and preparing meals that meet the meal pattern</b>		
Not Difficult (1 or 2)	29	90.6%
Moderate Difficulty (3)	2	6.3%
Very Difficult (4 or 5)	1	3.1%
<b>c. Completing paperwork to keep track of the numbers and types of meals served</b>		
Not Difficult (1 or 2)	20	62.5%
Moderate Difficulty (3)	8	25.0%
Very Difficult (4 or 5)	4	12.5%
<b>d. Determining the eligibility category (free, reduced-price, paid) of children at our facility</b>		
Not Difficult (1 or 2)	26	81.3%
Moderate Difficulty (3)	0	0.0%
Very Difficult (4 or 5)	6	18.8%
<b>e. Maintaining up-to-date eligibility records of children participating in the CACFP at our facility</b>		
Not Difficult (1 or 2)	19	59.4%
Moderate Difficulty (3)	5	15.6%
Very Difficult (4 or 5)	8	25.0%

#### **d. Reimbursement Rate**

Group childcare center administrators were also asked a series of questions regarding the financial aspects of CACFP participation. First, administrators were asked to identify the percentage of their meal costs that are covered by the reimbursement they receive from the CACFP. The greatest number of respondents (11 responses, 37.9% of those that answered this question) reported that the program reimbursement covered between 41% and 60% of their meal costs.

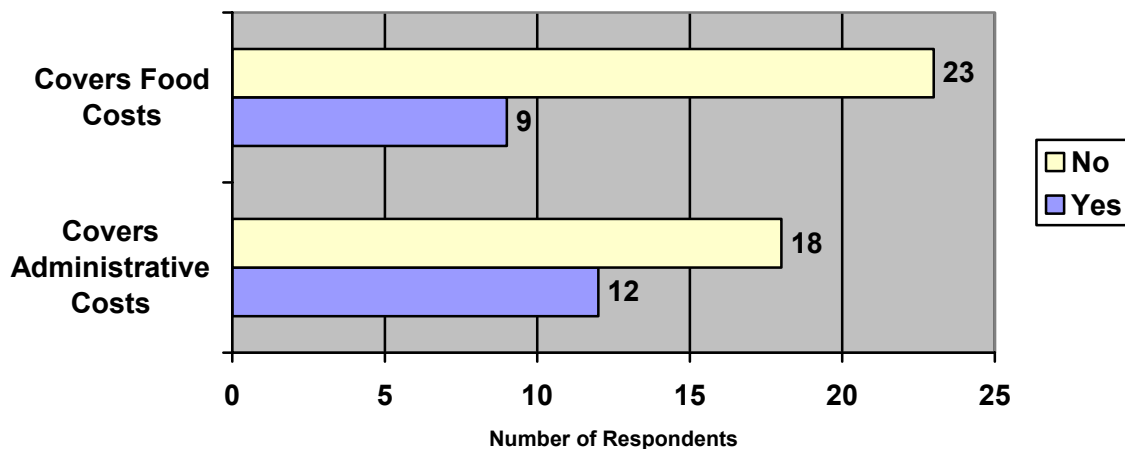


**Figure 4.2-6: CACFP Reimbursement as Percentage of Total Meal Costs**



Next, administrators were asked if they thought that this level of reimbursement was enough to justify their participation in the program. Two questions were asked to assess their opinion on this topic. The first question focused on whether the reimbursement was enough to cover their food costs. The second question focused on whether the reimbursement was enough to cover the administrative requirements of the program. A majority of administrators indicated that the reimbursement rate was not high enough to cover either food or administrative expenses. Respondents were more likely to indicate that the reimbursement rate was not high enough to cover food costs (71.9% of respondents) than administrative costs (60.0% of respondents).

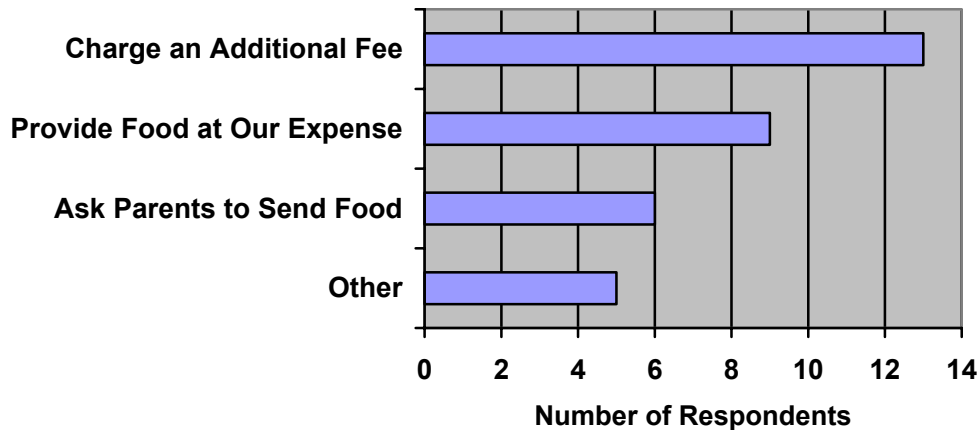
**Figure 4.2-7: Is the CACFP Reimbursement Enough?**



The final question dealing with the financial aspects of program participation asked program administrators what their center would do to feed children enrolled in their center if the center did not participate in the CACFP. Almost half of administrators (46.4%) indicated that they would need to charge parents an additional fee to cover the cost of food. Many survey respondents wrote in the Comments section for this question that they would maintain the quality of the meals served to children at their

center. Answers to this question highlight the extent to which a center's participation in the CACFP ultimately benefits the families of children enrolled at the center. *Figure 4.2-8* provides more information.

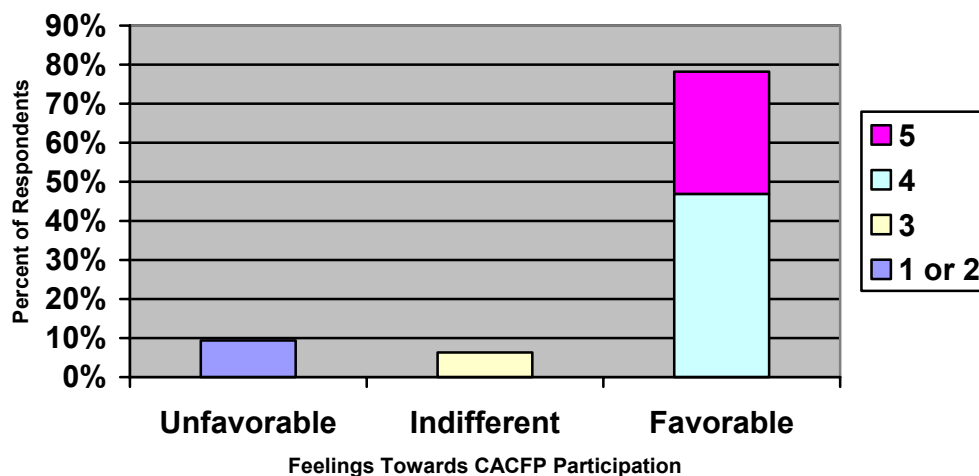
**Figure 4.2-8: If your center DID NOT participate in the CACFP, what means would you use to feed children enrolled in daycare at your center? (check all that apply)**



#### e. Overall Program Ranking

In the final question of the survey, group childcare center administrators were asked to rank their overall experience participating in the CACFP. Over three-fourths of respondents (78.1%) had favorable rankings of the program. It is important to point out that although this high percentage of respondents had favorable rankings of their CACFP participation, 46.9% of those that chose a "favorable" ranking number (4 or 5) chose 4, indicating some room for improvement of the program. See *Figure 4.2-9* for more information.

**Figure 4.2-9: Overall Ranking of the Program**



## **2. Review of Interviews**

### **a. Group Childcare Center Administrators and Sponsors of Affiliated Sites**

In terms of administrative responsibilities, the work done by administrators of group childcare centers and administrators of affiliated site sponsoring organizations is identical. Because of this we found that these administrators had very similar experiences. Since much of the information is similar, the findings from these two interview groups are presented together.

#### **1. Program Benefits**

In our interviews with administrators of group childcare centers and affiliated site sponsoring organizations, interviewees overwhelmingly identified the primary benefit of CACFP participation as the financial benefit of defrayed meal costs. These agencies recognize that without CACFP participation, they would not be able to offer as many or as high quality of meals to the children in their care. Other benefits mentioned by a significant number of administrators were that as a result of CACFP participation, it was ensured that the meals served in their centers would be of a high nutritional value and that participating in the CACFP provided them with helpful resources and information about the nutritional needs of children and meal planning. Administrators at both non-profit and for-profit centers overwhelmingly viewed CACFP participation as a benefit to the childcare center.

“The CACFP helps offset the cost of meals so we can use those resources for other child benefits.”

- Group Childcare Center Administrator

#### **2. Paperwork Requirements**

One of the primary issues of concern among group childcare center and affiliated site sponsoring organization administrators was the amount of paperwork and administrative resources required to participate in the CACFP. As stated by one interviewee, “participating in the CACFP makes operating a food program expensive.” The following is a list of some of the records that administrators of the CACFP in group care settings are required to keep:

- Point of Service Forms: record which children are served which meals (recorded daily)
- Infant Formula Records: record the amount of formula given to infants (recorded daily)

“... the required tracking and validation is not difficult but very time consuming. Tracking income throughout the year, completing production reports, etc. is a lot of administrative burden not covered by the level of reimbursement.”

- Group Childcare Center Administrator

- Kitchen Production Records: record the amount of each type of food used in the meal & the amount of each type of food used to feed different age categories (recorded daily)
- Household Income Statement (HIS) Forms: document the household income of each child (updated annually)
- Contract with DPI: includes information such as the number of staff people that work to administer the CACFP and the amount of their time that they spend on the program (the contract runs on a three-year cycle, but must be renewed annually)

From these different types of paperwork requirements, administrators seemed most concerned about the difficulty of collecting the annual Household Income Statements (H.I.S.) forms and the annual contract renewal process. Center administrators emphasized that it was very difficult to have parents return the HIS forms as they are

“Parents are very uncooperative with filling out and returning the H.I.S. forms. Some refuse to give Social Security Numbers. Others feel their income is none of our business...”  
 - Group Childcare Center Administrator

asked to do. Many parents assume they do not qualify and do not return the form. This is a problem because the centers must have forms on file for all children, even those that do not qualify for additional reimbursement. One problem among families that do qualify for the program is that parents believe that the information asked for on the form (Social Security Numbers, household income) is an invasion of privacy and are reluctant to provide the necessary information. This causes the center to lose out on being reimbursed for a child that is eligible for the program.

As a result of the level of paperwork required for CACFP participation, many centers report that they must employ a person whose sole responsibility is to administer the CACFP. This is in addition to any kitchen staff they must employ to actually prepare the meals. However, these administrative costs are not allotted for in the reimbursement that centers receive.

### 3. Reimbursement Rate

Of all the centers that we interviewed, the CACFP reimbursement rate did not cover all of the center’s food expenses. This occurs not because the reimbursement rate is too low, but rather because centers serve children coming from households with varying incomes. Since centers are reimbursed based on the household income of children served by the program, it is not the intent of the program that all meal costs be covered.

Group childcare center administrators also expressed considerable frustration at the administrative

“A higher compensation for administrator costs would help...”  
 - Group Childcare Center Administrator

requirements of the program, which they did not think were accounted for in the reimbursement rate. These administrators felt that they were being asked to invest a considerable amount simply in order to operate the program.

### **b. Non-Participating Centers**

While all of the administrators at non-participating centers that we interviewed were aware of the CACFP, they had several reasons for not participating in the program. Most lacked information about enrolling in the program. This included information about where find out what was required to enroll and who to contact to actually enroll. Another non-participating center administrator that we interviewed had actually inquired about participating in the CACFP but decided not to enroll because she was left with a sense of uncertainty about how the CACFP would benefit her center. The example of this center is summarized in the following case study.

#### **1. Case Study: Non-Participating Group Childcare Center**

A daycare center, located on Milwaukee's north side, was opened after the owner and director had provided family home daycare for a number of years. The center is open 24 hours a day and cares for children during all three shifts.

When the owner operated a family home daycare business, she found the CACFP to be an important financial and information resource. When she opened the group care center, she hoped to continue use of the CACFP. However, after meeting with DPI to learn about the CACFP in the group care settings, she began to feel like participating in the program was no longer worth her effort. Instead of coming away from the meeting with an understanding of how the CACFP could help her center, she left with a sense of uncertainty. From her perspective, the meeting with DPI was focused on what "DPI wouldn't cover." She felt like DPI was going to look for reasons not to reimburse her for meals she had served in her center. This uncertainty made it difficult for her to plan a budget and ultimately, she decided that the benefits of the program were not worth this uncertainty.

Although this group childcare center does not participate in the CACFP, the center's owner serves nutritionally balanced meals that meet the meal pattern. In addition, she regularly attends nutrition trainings so that she remains aware of new developments in the area of child nutrition.

### **C. After-School Programs**

#### **1. Review of Interviews**

In order to learn about how after-school programs use the CACFP to provide meals and snacks to the children in their care, we met with several after-school programs in Milwaukee County. Some of these after-school programs were affiliated sites,

and received meals funded through the CACFP but which were prepared and distributed by the Social Development Commission (SDC), a community-action agency serving Milwaukee County. SDC's opinions about the using the CACFP in after-school programs are included in this section.

The after-school programs that we interviewed used the CACFP in each of the two ways that it can be used in an after-school setting. Some programs use the CACFP to provide suppers to children age 12 and under. In this case the program administrators are responsible for collecting household income information in order to determine the reimbursement rate. Other programs we interviewed used the CACFP to provide snacks to children age 13 to 18. These programs were located in low-income areas, and therefore it was possible to serve all children in the program without having to collect Household Income Statement (H.I.S.) forms.

Through our interviews with after-school programs it became clear that the two primary issues affecting the CACFP in after-school programs are: 1) the difficulty of collecting H.I.S. forms from children age 12 and under enrolled in programs that choose to serve supper, and 2) the need to serve suppers to children through age 18.

Administrators of after-school programs identified challenges with collecting H.I.S. forms that were similar to those faced by group childcare providers. Administrators of these programs acknowledge that they are not able to claim the appropriate reimbursement for many children simply because they do not have forms on file for them. More information on the impact of the age limit in serving suppers can be found in the following case study.

#### **a. Case Study: Suppers in After-School Programs**

Across Milwaukee County, after-school programs provide a safe environment for older children when school is not in session. These programs also offer a variety of educational and enrichment opportunities for youth. The CACFP allows after-school programs to offer a meal or snack as part of their programming.

Current regulations allow a program to serve meals to children age 12 and under or snacks to children through age 18. One of the programs we interviewed has chosen to serve the maximum number of children current regulations will allow by serving snacks to all children and suppers to children under age 12. Through our interviews with other after-school programs in Milwaukee County, it seems that the majority of programs have not chosen to serve both snacks and suppers. Instead, most after-school programs only serve a supper to children age 12 and under. These programs cannot afford to serve suppers for children that they will not receive reimbursement. They made the choice to serve a greater quantity of food to some children rather than a smaller snack to all children.

In practice, this creates divisions within after-school programs that serve children of all ages. As younger children are allowed to enter the cafeteria to receive their supper, older children are forced to remain outside. While vending machines might provide an opportunity for older children to get some type of snack, this is not the most nutritious option.

“Only children whose names are on the list are allowed to enter the cafeteria. It’s hard to turn away the older children when you know they need the meal as well.”

- Milwaukee County After-School Program Administrator

Both after-school programs that serve suppers and those that serve snacks to children through age 18 have emphasized the need to expand the CACFP to include suppers for all children who attend after-school programming.

## **D. Emergency Shelters**

### **1. Review of Interviews**

In our interviews with Emergency Shelters using the CACFP it became clear that a primary benefit of program involvement for these organizations is the fact that it helps to offset the cost of feeding children in residence at their facility. Many shelters rely primarily on donated food, and the shelters we interviewed reported that they rarely have trouble putting together a meal that meets the meal pattern from this food source.

There was some disagreement among shelters we spoke with about whether or not the CACFP helped residents learn about nutritious eating. Some shelters found this to be the case, while others mentioned that residents are resistant to eating all parts of the meal (especially fruits and vegetables).

Several issues that seemed to be a burden for shelters included the amount of paperwork required for program participation and the inability to claim meals served to children over age 12. As was found among family home daycare sponsors and group childcare centers, emergency shelters found it a burden to have to renew the contract with DPI each year. In addition, even though emergency shelters serve entire families, they are allowed to claim reimbursements only for meals served to children under age 12.

## **E. Adult Daycare Centers**

### **1. Review of Interviews**

We interviewed the food service director at one adult daycare center in Milwaukee County. From this meeting it became clear that the greatest benefit the CACFP provides to this type of center is the financial benefit of reimbursing the center for

meals served. In this administrator's experience with the CACFP, he had found the program to be a very useful resource for running a food program.

Like the experience of administrators of the CACFP in other settings, this administrator reported that the documentation required for the annual contract with DPI was a significant burden. It was unclear why much of the documentation and paperwork was needed.

Another issue specific to adult daycare centers relates to the eligibility of young adults who are disabled. In Milwaukee, many disabled young adults reside in group homes called Community Based Residential Facilities (CBFRs). Under CACFP regulations CBFRs are considered to be "institutions," and consequently these residents are ineligible for the CACFP. However, as emphasized by administrators of adult daycare centers, the idea behind such group homes is that they enable disabled adults to remain un-institutionalized and part of the community. According to DPI, the classification of such group homes as an institution was an administrative decision made at the USDA regional level.



## **VI. Conclusions**

### **A. General Conclusions**

Through our research on the Child and Adult Care Food Program in Milwaukee County, Hunger Task Force has reached general conclusions about the CACFP. These conclusions are based on occurrences that we observed in all five of the program settings.

- 1)** In general, providers have positive feelings towards their experience participating in the CACFP. This sentiment seemed to be strongest among family home daycare providers. Participating care providers have overall positive feelings towards their participation in the program because they think that the program benefits outweigh the administrative burdens.
- 2)** Care providers in all five of the program settings benefit from their participation in the CACFP. The primary benefits include both the financial support provided by the program in addition to the information and technical assistance care providers receive from program administrators.
- 3)** Participation in the CACFP helps to strengthen the quality of care provided in various program settings. One of the main ways that the quality of care is strengthened is by giving care providers the necessary financial and information resources to serve healthy and nutritious food.
- 4)** The children served at CACFP sites experience both immediate and long-term benefits. Kids receive nutritious meals and develop life-long healthy eating habits.
- 5)** Expansion of the CACFP has been hindered by an increase in administrative and reporting requirements that have not been matched by a proportional increase in reimbursement rates. These additional requirements have made it expensive to operate the program.

### **B. Setting-Specific Conclusions**

In addition to the program-wide conclusions we have made, we have observed specific issues that affect the program in the individual settings.

#### **1. Family Home Daycare**

- Individual family home daycare providers do not have significant difficulty performing the administrative requirements of the program. Once providers grew accustomed to completing the required meal reporting and claim forms, this paperwork took minimal time each day.

- Increasing administrative requirements placed upon sponsoring organizations during the last several years has resulted in these organizations being able to provide less direct support to family home daycare providers.

## **2. Group Childcare Centers**

- Increasing administrative requirements has made it expensive for centers to participate in the program.
- Administrative requirements that seem especially burdensome include:
  - Obtaining information related to household income
  - Renewing a significant portion of the contract each year

## **3. After-School Programs**

- Because they are unable to claim reimbursements for suppers served to children age 13 – 18, many after-school programs in Milwaukee County are forced to create divisions within their programming.

## **4. Emergency Shelters**

- Administrative and reporting requirements have made it expensive for emergency shelters to operate the program. The number of elements that must be included in the annual contract renewal seems especially burdensome.
- Many emergency shelters in Milwaukee County serve entire families but are only reimbursed for meals they serve to children through age 12.

## **5. Adult Daycare Centers**

- The annual contract renewal process is an administrative burden.
- Barring adults residing in Community Based Residential Facilities from the CACFP seems to contradict the original purpose of these facilities.

## **VII. Recommendations**

Based on the findings of our Child and Adult Care Food Program (CACFP) assessment, Hunger Task Force makes the following recommendations to improve and expand the program:

### **A. Changing Policies**

- 1) At the state level, move the CACFP from DPI to the Department of Health and Family Services (DHFS), which administers other nutrition and human services programs. This will reduce duplication and better connect the CACFP to care providers and families that will benefit from the program.
- 2) At the federal level, expand full eligibility to the CACFP to children ages 13 – 18 in after-school programs and emergency shelters.
- 3) Change the federal administrative ruling that bars disabled adults residing in Community Based Residential Facilities (CBFRs) from the CACFP. By law, CBFRs are considered institutions and consequently its residents are ineligible for the CACFP (see page 46).
- 4) Adequately reimburse sponsoring organizations and group care providers for the administrative responsibilities they are required to perform.

### **B. Simplifying the Program**

- 5) Federal and state governments should lower the administrative burden for government administrators, sponsoring organizations, and care providers by replacing paper claim forms with Internet-based claim systems, which ease CACFP implementation by reducing paperwork and automating the claims system. An up-front investment will result in long-term savings.

### **C. Reaching Out to Providers**

- 6) DPI and sponsoring organizations should partner with community-based organizations, such as food banks and advocacy groups, that routinely engage in outreach activities in order to conduct more follow-up outreach to new care providers in all program settings.
- 7) The state administering agency should establish a CACFP Task Force in Milwaukee County that would provide a consistent communications forum for state administrators and current and new local program operators.

## VIII. Further Research

Through our research into the Child and Adult Care Food Program in Milwaukee County, we encountered several larger issues facing the program that we did not believe could be thoroughly researched in the six months allotted to the project. Therefore, we suggest the following topics as places to begin further research on the program:

- The role of the CACFP in bringing “underground” family home daycare providers into regulation. It has been suggested that the CACFP is an important force in helping to bring unregulated home daycare providers into regulation. As a result of the difficulty in connecting with unlicensed/non-certified home daycare providers, it was not possible for us to research this issue. Further research on this topic could provide additional evidence on the value of the CACFP in family home daycare settings.
- The growing need for group childcare facilities to be available during non-traditional hours. In Milwaukee County many employment opportunities, particularly service jobs held by many low-income parents, require parents to work several jobs and during non-traditional hours. As families increasingly need greater options for childcare, it is necessary to ensure that federal and state regulations enable the CACFP to continue to provide support in these childcare settings. Such childcare programs may be the very ones that need supplemental nutrition the most.
- The extent to which administrative requirements are mandated at the federal or state administrative level. In our research we heard about many different administrative requirements. In order to more fully understand which requirements might possibly be simplified it is necessary to understand which administrative level is implementing the requirement. The results of this research could be used as an outreach/education tool so that CACFP participants can understand the program and its regulations.

## Appendix A: Sample Claim Form

# MINUTE MENU SYSTEM

MENU MONTH

JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC

# REGULAR MENU

SHIFT  
DAY 0 1 2 3 SPLIT SHIFT 4 5 6 7 8 9 10 11 12

SHIFT  
DAY 0 1 2 3 SPLIT SHIFT 4 5 6 7 8 9 10 11 12

SHIFT  
DAY 0 1 2 3 SPLIT SHIFT 4 5 6 7 8 9 10 11 12

		FOOD SERVED												ATTENDANCE											
BREAKFAST	BREAD OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	JUICE OR FRUIT OR VEGETABLE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	MILK	1	2	3	4	5	6	7	8	9	17	18	19	20	17	18	19	20							
AM SNACK	MEAT OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	BREAD OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	JUICE OR FRUIT OR VEGETABLE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
LUNCH	MEAT OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	BREAD OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	JUICE OR FRUIT OR VEGETABLE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
PM SNACK	MEAT OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	BREAD OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	JUICE OR FRUIT OR VEGETABLE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
DINNER	MEAT OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	BREAD OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	JUICE OR FRUIT OR VEGETABLE	1	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
EVENING SNACK	MEAT OR ALTERNATE	1	0	1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	8						
		2	0	1	2	3	4	5	6	7	8	9	10	11	12	9	10	11	12						
	BREAD																								

## Appendix B: Child and Adult Care Food Program Meal Pattern for Infants<sup>43</sup>

Child and Adult Care Food Program Meal Pattern for Infants			
	Breakfast	Lunch or Supper	Snack
Infants: Birth through 3 months	4-6 fluid ounces (fl oz) breast milk or formula <sup>1</sup>	4-6 fl oz breast milk or formula <sup>1</sup>	4-6 fl oz breast milk or formula <sup>1</sup>
Infants: 4 months through 7 months	4-8 fl oz breast milk or formula <sup>1</sup>  0-3 tablespoons (tbsp) infant cereal <sup>2</sup> (optional)	4-8 fl oz breast milk or formula <sup>1</sup>  0-3 tbsp infant cereal <sup>2</sup> (optional)  0-3 tbsp fruit and/or vegetable (optional)	4-6 fl oz breast milk or formula <sup>1</sup>
Infants: 8 months through 11 months	6-8 fl oz breast milk or formula <sup>1</sup>  2-4 tbsp infant cereal <sup>2</sup>  1-4 tbsp fruit and/or vegetable	6-8 fl oz breast milk or formula <sup>1</sup>  2-4 tbsp infant cereal <sup>2</sup> and/or 1-4 tbsp meat, fish, poultry, egg yolk, or cooked dry bean or peas or 1/2-2 oz cheese, or 1-4 oz cottage cheese, cheese food, or cheese spread  1-4 tbsp fruit and/or vegetable	2-4 fl oz breast milk, formula <sup>1</sup> , or fruit juice <sup>3</sup>  1-1/2 slice bread or 0-2 crackers <sup>4</sup> (optional)

<sup>1</sup> Iron-fortified infant formula

<sup>2</sup> Iron-fortified dry infant cereal

<sup>3</sup> Full-strength fruit juice

<sup>4</sup> Made from whole-grain or enriched meal or flour

<sup>43</sup> From: *What's in a Meal? A Resource Manual for Providing Nutritious Meals in the Child and Adult Care Food Program*, USDA- Food and Nutrition Service, Midwest Regional Office, January 1999.

## Appendix C: Child and Adult Care Food Program Meal Pattern for Children<sup>44</sup>

Child and Adult Care Food Program Meal Pattern for Children			
	Children 1 and 2 years	Children 3 through 5 years	Children 6 through 12 years
<b>Breakfast</b>			
Milk, fluid	1/2 cup	3/4 cup	1 cup
Juice/fruit/vegetable	1/4 cup	1/2 cup	1/2 cup
Grains/Breads:			
Bread: whole-grain, bran, germ, or enriched	1/2 slice	1/2 slice	1 slice
Cereal: cold, dry	1/4 cup <sup>1</sup>	1/3 cup <sup>2</sup>	3/4 cup <sup>3</sup>
or hot, cooked	1/4 cup	1/4 cup	1/2 cup
<b>Supplement (snack)</b> (select 2 components)			
Milk, fluid	1/2 cup	1/2 cup	1 cup
Meat/meat alternate <sup>4</sup>	1/2 ounce	1/2 ounce	1 ounce
Juice/fruit/vegetable	1/2 cup	1/2 cup	3/4 cup
Grains/Breads:			
Bread: whole-grain, bran, germ, or enriched	1/2 slice	1/2 slice	1 slice
Cereal: cold, dry	1/4 cup <sup>1</sup>	1/3 cup <sup>2</sup>	3/4 cup <sup>3</sup>
or hot, cooked	1/4 cup	1/4 cup	1/2 cup
<b>Lunch or Supper</b>			
Milk, fluid	1/2 cup	3/4 cup	1 cup
Meat/meat alternate			
Meat, poultry or fish	1 ounce	1-1/2 ounces	2 ounces
cooked (lean meat without bones)			
Cheese	1 ounce	1-1/2 ounces	2 ounces
Egg	1/2	3/4	1
Cooked dry beans/peas	1/4 cup	3/8 cup	1/2 cup
Peanut butter or other nut or seed butters	2 tablespoons	3 tablespoons	4 tablespoons
Nuts and/or seeds	1/2 ounce <sup>5</sup> = 50%	3/4 ounce <sup>5</sup> = 50%	1 ounce <sup>5</sup> = 50%
Yogurt	4 ounces or 1/2 cup	6 ounces or 3/4 cup	8 ounces or 1 cup
Vegetable and/or Fruit (2 or more)	1/4 cup total	1/2 cup total	3/4 cup total
Grains/Breads:			
whole-grain, bran, germ, or enriched	1/2 slice	1/2 slice	1 slice

<sup>1</sup> 1/4 cup (volume) or 1/3 ounce (weight), whichever is less

<sup>2</sup> 1/3 cup (volume) or 1/2 ounce (weight), whichever is less

<sup>3</sup> 3/4 cup (volume) or 1 ounce (weight), whichever is less

<sup>4</sup> You may serve 4 ounces (weight) or 1/2 cup (volume) of plain or sweetened and flavored yogurt to fulfill the equivalent of 1 ounce of the meat/meat alternate component. For younger children, 2 ounces (weight) or 1/4 cup (volume) may fulfill the equivalent of 1/2 ounce of the meat/meat alternate requirement.

<sup>5</sup> This portion can meet only one-half of the total serving of the meat/meat alternate requirement for lunch or supper. Nuts or seeds must be combined with another meat/meat alternate to fulfill this requirement. For determining combinations, 1 ounce of nuts or seeds is equal to one ounce of cooked lean, meat, poultry, or fish.

<sup>44</sup> From *What's in a Meal? A Resource Manual for Providing Nutritious Meals in the Child and Adult Care Food Program*, USDA- Food and Nutrition Service, Midwest Regional Office, January 1999.

## Appendix D: Sample Menu<sup>45</sup>

Sample Menu for Children (ages 3-5)		
Requirements	Sample Menu #1	Sample Menu #2
<b>Breakfast</b> Grains/Breads Juice/fruit/vegetable Milk, fluid	oatmeal (1/4 c) orange juice (1/2 c) 2% milk (3/4 c)	waffle (1/2 waffle) fresh peach slices (1/2 c) 2% milk (3/4 c)
<b>A.M. Snack (select 2 of 4)</b> Milk, fluid Juice/fruit/vegetable Grains/breads Meat/meat alternate	fresh nectarines (1/2 c) cinnamon-raisin toast (1/2 slice)	2% milk (3/4 c) bran muffin
<b>Lunch</b>  Meat/meat alternate  Vegetables/fruits (2 or more) Grains/Breads Milk, fluid	turkey (1 oz.) and Swiss cheese (0.5 oz.) sandwich oven-baked fries (1/4 c) strawberries (1/4 c) whole wheat bread (1 slice) 2% milk (3/4 c)	ground beef chili w/ beans (1.5 oz beef and beans and 1/4 c tomato)  pear halves (1/4 c) cornbread (1 slice) 2% milk (3/4 c)
<b>P.M. Snack (select 2 of 4)</b> Milk, fluid Juice/fruit/vegetable Grains/Breads Meat/meat alternate	2% milk (3/4 c) apple sections (3/4 c)	banana (1/2 c) graham crackers (2 squares)
<b>Supper</b> Meat/meat alternate  Vegetables/fruits (2 or more)  Grains/Breads	meat balls (1.5 oz. Beef) tomato sauce (1/4 c) green beans (1/4 c) spaghetti (1/4 c) Italian bread (1 slice)	baked chicken (1.5 oz.) cooked broccoli (1/4 c) mashed potatoes (1/4 c)  whole wheat roll (1 roll)

<sup>45</sup> Sample Menu taken from *What's in a Meal? A Resource Manual for Providing Nutritious Meals in the Child and Adult Care Food Program*, USDA- Food and Nutrition Service, Midwest Regional Office, January 1999.



## Appendix E: Response Rate by Question

Family Home Daycare Provider Survey		
<b>Total Number of Returned Surveys</b>	<b>353</b>	
<b>Question Number</b>	<b>Number of Responses</b>	<b>Response Rate</b>
Question 1	345	97.7
Question 2	349	98.9
Question 3	343	97.2
Question 4	353	100.0
Question 5	338	95.8
Question 6	353	100.0
Question 7	353	100.0
Question 8a	347	98.3
Question 8b	344	97.5
Question 8c	346	98.0
Question 8d	346	98.0
Question 9	343	97.2
Question 10	353	100.0
Question 11	50	14.2
Question 12	274	79.4

Group Childcare Center Survey		
<b>Total Number of Returned Surveys</b>	<b>33</b>	
<b>Question Number</b>	<b>Number of Responses</b>	<b>Response Rate</b>
Question 1	31	93.9
Question 2	32	97.0
Question 3	33	100.0
Question 4	33	100.0
Question 5a	33	100.0
Question 5b	32	97.0
Question 5c	32	97.0
Question 5d	32	97.0
Question 5e	32	97.0
Question 6	29	87.9
Question 7	32	97.0
Question 8	30	90.9
Question 9	28	84.8
Question 10	32	97.0
Question 11	17	51.5
Question 12	29	87.9