



North Carolina Department of Health and Human Services  
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Michael F. Easley, Governor

Carmen Hooker Buell, Secretary

August 14, 2001

**MEMORANDUM**

**CACFP 01-24**

TO: All Child and Adult Care Food Program Institutions

FROM: Arnette Cowan, MS, RD, LDN  
Head, Special Nutrition Programs

**CHILD AND ADULT CARE FOOD PROGRAM FREE & REDUCED-PRICE POLICY COMPLIANCE**

The Free and Reduced-Price Meal Policy is a compliance area for participants of the Child and Adult Care Food Program (CACFP). A number of institutions have requested additional guidance in this area. The information below should assist institutions in completing the eligibility application.

**Required Forms**

- \* Center Institutions and Sponsoring Organizations of **centers** must use the CAC 11 or 11A, as applicable (with the CAC 10A Worksheet).
- \* Sponsoring Organizations of **day care homes** must use CAC 11B, 11B Supplement or 11C, as applicable (with the CAC 10B Worksheet).

**Required Components for the CACFP Eligibility Application (DHHS CAC 11, 11A, 11B, 11B Supplement or 11C)**

Institutions and Sponsoring Organizations are required to obtain information from parents or guardians by using the CACFP Eligibility Application form. This information is to be obtained annually for each participant. In order for an application to be considered complete, it must contain the following information:

*Participants in Food Stamp Household, Temporary Aid to Needy Families, Medicaid, SSI, Foster Children, and Food Distribution Program on Indian Reservations.*

- X Name and date of birth for participants;
- X **For child day care** only, the participant's Food Stamp, Temporary Aid to Needy Families (*TANF/Work First*) or Food Distribution Program on Indian Reservations (*FDPIR*) case number;
- X An indication of whether the participant is a foster child;
- X **For adult day care** only, the participant's Medicaid, SSI, Food Stamp and/or FDPIR case number;
- X Signature of household or parent, guardian, or adult family member and date
- X Signature of eligibility official, eligibility classification, and date.



*Participants in Other Households. (If there is no Food Stamp, TANF/Work First or FDPIR case number)*

- X Name and date of birth for participants;
- X Name of all other household members;
- X Household income;
- X Name and social security number of primary wage earner;
- X Signature of parent, guardian, or adult family member; and date
- X Signature of eligibility official, eligibility classification, and date.

The income eligibility guidelines (see reverse side of memo CACFP 01-24 dated August 14, 2001) are effective **July 1, 2001 through June 30, 2002**. Income standards change each year starting July 1. The institution or sponsoring organization must use the income standards pertaining to this period for participants enrolled or who will be enrolled in your program between **July 1, 2001 through June 30, 2002**.

### **Procedure for Calculating Family Income Eligibility**

Once all information has been obtained, the institution or sponsoring organization must total monthly income. Follow the procedure below to calculate family income eligibility.

### **Correct Method of Computing Monthly Income**

Weekly Income x 4.33 = Monthly Income

Every Two Weeks Income x 2.15 = Monthly Income

Twice a Month Income x 2 = Monthly Income

Weekly Income x 52 = Yearly Income

Every Two Weeks Income x 26 = Yearly Income

Twice a Month Income x 24 = Yearly Income

Monthly Income x 12 = Yearly Income

**Note:** An incorrect calculation may result in an incorrect classification of a participant's application.

### **Master List (DHHS CAC 10A or 10B)**

Once all applications have been correctly approved and classified, prepare a master list as a summary of the free, reduced, and denied participants. Include participant's name, age, and date the eligibility official approved the classification of the application. Keep the master list updated throughout the year. Once all the above is completed, transfer information to the Affidavit of Enrollment (DHHS CAC 10). A copy of the master list should also be sent to the regional office with the other CACFP information. Participants who do not have an eligibility application (DHHS CAC 11, 11A, 11B, 11B Supplement or 11C) on file must be included on the master list and DHHS CAC 10 as denied.

### **Withdrawals and Transfers**

The date the participant withdraws from the program must be recorded on the master list (DHHS CAC 10A or 10B) as well as on the CACFP Eligibility Application (DHHS CAC 11, 11A, 11B,

11B Supplement or 11C).

### **Organization of Applications**

Institutions or sponsoring organizations with more than one center have the option of keeping all DHHS CAC 11, 11A, 11B, 11B Supplement, or 11C forms centrally and/or on site. For effective management of these forms, it is recommended that they be kept centrally.

We hope this information will help to clarify the Free and Reduced-Price Policy. If there are questions, please feel free to contact the Special Nutrition Programs consultant assigned to your county.

AC/am

cc: SNP Staff  
Auditor  
Denise Roger-Murray