



**North Carolina Department of Health and Human Services
Division of Public Health • Women's & Children's Health Section**
1914 Mail Service Center • Raleigh, North Carolina 27699-1914
Tel 919-733-2973 • Fax 919-733-1384

Michael F. Easley, Governor

Carmen Hooker Buell, Secretary

March 14, 2003

CACFP 03-04

MEMORANDUM

TO: Institutions participating in the Child and Adult Care Food Program

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

SUBJECT: For-Profit Center Eligibility – Update for FY 2003

The FY 2003 USDA appropriations bill authorizes a continuation of participation in the CACFP by for-profit centers under the free/reduced price provision. The legislation maintains the requirement that in order to be eligible, at least 25 percent of a center's enrollment or licensed capacity, whichever is less, must be eligible for free or reduced price meals.

The bill extends reimbursement through September 30, 2003. If a center has the appropriate records to document compliance with CACFP requirements, reimbursement can be paid retroactively to October 1, 2002. To be eligible for reimbursement under this provision, for-profit centers must submit the appropriate records to the State agency to document compliance with Program regulations. Retroactive claims are not subject to the 60/90 time frame in 226.10(3), however, all claims for retroactive reimbursement must be submitted to the State agency by May 1, 2003.

This does not remove, or in any way affect, the eligibility status of for-profit organizations that participate in the CACFP under the Title XX provision.

If you have questions, please contact your consultant.

cc: SNP Staff
Auditors

