



United States  
Department of  
Agriculture

April 17, 2003

Food and  
Nutrition  
Service

**SUBJECT:** Recruiting For-Profit Centers to Participate in the Child and Adult Care Food Program (CACFP)

**TO:** Regional Directors  
Child Nutrition Programs  
All Regions

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Center Drive  
Alexandria, VA  
22302-1500

As you are aware, the FY 2003 U.S. Department of Agriculture appropriations legislation (Public Law No. 108-7), enacted on February 20, 2003, extended the free and reduced price provision for for-profit centers in the CACFP through September 30, 2003. The intent of this provision was to extend the availability of Program benefits offered to low-income children by expanding upon the eligibility requirements for proprietary centers.

States are encouraged to

- recruit new providers into the CACFP program through the 25 percent free and reduced-price meal eligibility criteria option, and
- pool title XX funds to further maximize access to CACFP meals.

Consistent with the intent of Congress to make the CACFP available to for-profit centers, we are asking that State agencies continue to work with eligible for-profit centers in their State to ensure their participation in the CACFP, either under the free and reduced price provision or the title XX provision contained in section 17(a)(2)(B)(ii) of the National School Lunch Act. We are also asking any remaining States which do not pool their title XX funds to continue to work towards this goal.

Please share this information with your States. With your support, we look forward to bringing these vital benefits to more children.

A handwritten signature in dark ink, appearing to read "Stanley C. Garnett".

STANLEY C. GARNETT  
Director  
Child Nutrition Division