

TIERING DETERMINATION

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TIERING DEFINITIONS

Area-Eligible: A provider determined to be a Tier I home based on school data or census data.

Categorical Eligibility: A child or family day care home (FDCH) provider who is a member of a household participating in the Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program on Indian Reservations (FDPIR), or Temporary Assistance to Needy Families (TANF) program. The household must provide a current SNAP, FDPIR, or TANF case number on the Family-Size and Income Application (FSIA) to establish its categorical eligibility. In the case of a **PROVIDER**, the status must be verified in writing before determining that the provider is eligible for Tier I reimbursement for meals served in the FDCH. Meals served to the categorically eligible child automatically qualify for Tier I reimbursement.

Census Data: For the purpose of the Child and Adult Care Food Program (CACFP), a geographic area in which 50 percent of the children residing in the area are members of households whose incomes meet the poverty guidelines. Census data is released annually.

Economic Unit: A group of related or unrelated individuals who are not residents of an institution or boarding house, but who share housing and/or all significant income and expenses. Generally, individuals residing in the same house are an economic unit. However, more than one economic unit may reside in the same house. Separate economic units in the same house are characterized by prorating expenses and economic independence from one another.

Expanded Categorical Eligibility: Children in Tier II homes participating in or subsidized under any “federally or state-supported child care or other benefit program with an income-eligibility limit that does not exceed” 185 percent of income guidelines for poverty. Meals served to these children are automatically eligible for Tier I reimbursement. Expanded categorical eligibility does not apply to a provider’s classification as a Tier I home, to the eligibility of the provider’s own children, or to participants in other child or adult day care centers.

Family Day Care Home (FDCH): A licensed, organized family day care program for nonresidential enrolled children in a private home, under the auspices of a sponsoring organization (SO).

Family/Household: A group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit.

Family-Size and Income Application (FSIA): The application form used to collect information from individual households to determine either categorical or income eligibility for Tier I reimbursement for meals served to children. The form may be distributed to providers for Tier I determination or to claim provider’s own children. It may also be distributed to parents or guardians of each household for individual child determination when the child is enrolled in a Tier II home.

Federal Fiscal Year: A period of 12 months, beginning with October 1 of any calendar year and ending with September 30 of the following calendar year. The CACFP operates on a federal fiscal year.

Food Distribution Program on Indian Reservations (FDPIR): A program that distributes monthly commodity food packages to eligible American Indian households living on or near an American Indian reservation.

Foster Child Residing With Provider: A child who is a ward of the court or welfare agency and has been placed in residence in a provider’s household. The foster child is treated as the provider’s own child. If the foster parent/provider wants to claim his or her foster child, the provider must have an approved FSIA on file and qualify for Tier I reimbursement based on verified income, verified categorical eligibility, school data, or census data, just as he or she would do in claiming any of his or her own children. The foster child is not considered a household of one, but is included as a household member of the foster family.

Foster Child Attending Tier II Home: A foster child is a child who is living with a household but remains the legal responsibility of the welfare agency or court. A foster child is categorically eligible for Tier I rates.

Gross Income: Any money received on a recurring basis, including gross earned income (unless specifically excluded by legislation). Specifically, *gross earned income* means all money earned before such deductions as income taxes, employee's social security taxes, insurance premiums, and bonds. Income includes the household's gross earnings, wages, welfare, pension, alimony and child support payments, unemployment compensation, social security, and additional cash received or withdrawn from any other sources, including savings, investments, trust accounts, and other resources.

Income-Eligible: Any child or provider from a household whose current income is at or below the household-size and income levels set forth in the income-eligibility guidelines. The household must provide household-size and income information on the FSIA to enable the SO to compare the household information to the income-eligibility guidelines. Meals served in the income-eligible provider's home or to the income-eligible child are eligible for Tier I reimbursement.

Income-Eligibility Guidelines (IEGs): The household-size and income levels prescribed annually by the Secretary of Agriculture for determining eligibility for Tier I reimbursement. The Tier I guidelines are 185 percent of the annual poverty guidelines.

Net Income: Net income for the self-employed is determined by subtracting business expenses from gross receipts.

Overt Identification: Any act that openly identifies children as eligible to receive meals reimbursed at the Tier I rates in the CACFP.

Provider's Own Children: All residential children in the provider's household who are part of the economic unit of the family. A family is a group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit. Therefore, a provider's own children include children by birth or adoption, foster children, grandchildren, or housemates' children who are part of the economic unit. Informal extended family situations frequently exist in low-income areas, and all such children should be included in the provider's household. Children whose parents or guardians have made a contractual agreement, either formal or informal, with a provider for residential care, and whose relationship is defined primarily by the child care situation, are not considered the *provider's own children*.

School Data: For the purpose of CACFP, an FDCH that is located in an area that is served by a school site in which at least 50 percent or more of the students enrolled are certified eligible to receive free or reduced-price school meals.

SNAP Household: Any individual or group of individuals currently certified to receive benefits under the Supplemental Nutrition Assistance Program (SNAP).

Temporary Assistance to Needy Families (TANF): A block grant to states authorized under the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* (P.L. 104-193) that allows states to provide assistance to needy families with children and provide parents with job preparation, work, and support service to enable them to leave the program and become self-sufficient.

Tier I Family Day Care Home: An FDCH that has been determined by the SO as eligible for Tier I reimbursement for meals served because it is either (1) located in an area served by a school enrolling students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced-price meals or (2) located in a geographic area, based on census data, in which 50 percent of the children residing in the area are members of households that meet the income standards for free or reduced-price meals or (3) operated by a provider whose household meets the income standards for free or reduced-price meals, based on a completed FSIA that has been verified by the SO.

Tier II Family Day Care Home: An FDCH that is **NOT** located in an area that meets school or census data, or the provider's household income is **NOT** below 185 percent of the federal income poverty guidelines. Such a home would receive Tier II reimbursement for meals served.

Tier II-Higher Home (II-H): A Tier II FDCH where **ALL** children are certified as eligible for the higher reimbursement rate. (All meals claimed are paid at the Tier I rate.)

Tier II-Lower Home (II-L): A Tier II FDCH where **NONE** of the children are certified as eligible for the higher reimbursement rate. (All meals claimed are paid at Tier II rates.)

Tier II-Mixed Homes (II-M): A Tier II home that receives some combination of Tier I and Tier II reimbursement rates for meals served to enrolled children. The provider will receive Tier I rates for meals served to children who have been determined to be eligible based on household size and income **OR** receipt of categorically eligible benefits **OR** receipt of expanded categorically eligible benefits. The provider will receive Tier II rates for meals served to all other children.

Verification: Confirmation of a provider's eligibility for Tier I status under the CACFP. Verification is required for all providers qualifying as a Tier I home based on the provider's own income or categorical eligibility. Verification must include either written confirmation of income eligibility or written confirmation that the provider is a participant in SNAP, FDPIR, or TANF.

SPONSORING ORGANIZATION RESPONSIBILITY FOR TIERING DETERMINATION

SOs are responsible for determining the classification of an FDCH as a Tier I home. If the SO has not been able to verify that the home meets one of the criteria for Tier I classification, the home must be classified as a Tier II FDCH.

SOs will need to be familiar with the requirements for Tier I classification and maintain appropriate documentation to support their determination of each FDCH's eligibility for Tier I benefits. Sponsors should maintain on file the documentation used to determine the classification of the home as Tier I for as long as the classification is in effect. The length of time the Tier I classification is in effect will be different, depending on the method used, as explained in the following pages regarding the use of school or census data or the provider's income or categorical eligibility. The classification documentation and all other records to support reimbursement claims must be retained for three years after the end of the fiscal year to which they pertain or longer if there is an ongoing review or audit. They must also be made available to the Oklahoma State Department of Education (the *State Agency*), the United States Department of Agriculture (USDA), or the Office of Inspector General (OIG) for review or audit at any reasonable time and place.

TIER I DAY CARE HOMES

FDCHs participating in the CACFP are classified as Tier I homes, either by location of the home in an eligible area (area eligibility) or by the provider's income. After a home has been classified as Tier I, all Program meals served to enrolled children are reimbursed at Tier I rates, regardless of the income of the enrolled children's household. However, if the Tier I classification is based on area eligibility, the provider must still submit an FSIA and meet the income guidelines in order to receive reimbursement for meals served to his or her own children.

Under CACFP regulations, §226.2, area eligibility is defined as follows:

- An FDCH that is located in an area served by a school enrolling students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced-price meals.

OR

- An FDCH that is located in a geographic area, based on census data, in which at least 50 percent of the children residing in the area are members of households that meet the poverty guidelines.

In addition, the provider's household income may be used to classify a home as Tier I. In this case, the law requires that the household income be verified. The definition in §226.2 is:

An FDCH home that is operated by a provider whose household meets the income standards for free or reduced-price meals, as determined by the SO based on a completed FSIA, and whose income is verified by the SO in accordance with §226.23(h)(6).

TIER I CLASSIFICATION BASED ON AREA ELIGIBILITY

Use of School Data

The State Agency is required each year to provide a list of schools in the state in which at least 50 percent of the enrolled children have been determined to be eligible to receive free or reduced-price meals. The State Agency will provide all SOs with this information no later than February 15 of each year.

An SO must determine and document school attendance area information for each FDCH. Most commonly, sponsors would obtain an official school-boundary identifying map, match provider addresses to the map's boundaries, and retain the map as documentation. If such maps were unavailable, the sponsor would need to contact school officials to obtain written descriptions of attendance areas. Once the written descriptions are received, the SO may need to plot the boundaries of the school attendance areas on county or city maps. The SO must plot the providers' home addresses within the school attendance areas in order to properly document any provider as a Tier I home. All documentation must be dated and initialed by SO staff.

The SO's determination that an FDCH is located in an eligible school attendance area will be in effect for five years when the determination is based on school data. If a provider moves within this five-year time frame, the SO must reestablish the area-eligibility of the provider, using the new address of the provider. The school listing provided by the State Agency must be maintained as long as the provider's determination is in effect. It is recommended that a photocopy of the page indicating the school used for the determination be placed in the provider's file. The SO may want to highlight the name of the school on the photocopied page. The photocopy must be dated and initialed by SO staff. This listing with all SO records must also be maintained three years after the provider's determination expires.

Use of Census Data (Reference USDA Policy Memo CACFP-07-2012)

1. **Area Eligibility Policy:** CACFP day care homes that establish eligibility using census data are required to use the most recent census data available (7 CFR 226.6[f]). The Census Bureau estimates household income annually using the American Community Survey (ACS) and, therefore, the FNS will release these new estimates every year. However, in order to reduce burden and maintain consistency within the Programs, area eligibility determinations based on census data are effective for five years (see CACFP 02-2012, *Eligibility Based on Census Data*, October 31, 2011).

Census Block Groups (CBGs) will continue to be the geographical unit used to assess eligibility for CACFP when using census data. In order for a CACFP day care home site to be eligible, 50 percent or more of the children in a CBG must be eligible for free or reduced-price school meals.

In the past, CACFP used different definitions of children in establishing whether an area is eligible using census data. However, since CACFP no longer establishes area eligibility based on elementary school data, CACFP day care homes are considered area eligible if they are located in a CBG that qualifies under CACFP. The column with the heading *Eligible* indicates whether the CBG is eligible under the CACFP.

Sponsors must annually inform Tier II day care home providers that the provider may ask for a reclassification to be considered when new census data become available each year and that reclassification may be made at any time for Tier II homes.

When census data is used to determine a home's eligibility as a Tier I home, the determination remains in effect for five years.

2. **Using the Data:** The Food Research and Action Center (FRAC) has included the data in its CACFP mapping website <<http://www.fairdata2000.com/CACFP>> so that sponsors can determine if a provider will qualify for Tier I rates under the 2010 ACS CBG information.

TIER I CLASSIFICATION
BASED ON PROVIDER FAMILY-SIZE AND INCOME APPLICATION

Classification Based on Income Eligibility of Provider:

In order to classify an FDCH as Tier I based on the provider's household income, the SO must:

1. Have on file a completed FSIA for the provider that lists all household members and income.
2. Total the household income and check to see that the income and the family size are within the current income-eligibility guidelines.
3. Verify, with written documentation, that the information submitted by the provider is accurate.

If the FDCH is receiving Tier I rates based on the provider's household income, eligibility must be redetermined each fiscal year (October 1 through September 30).

Classification Based on Categorical Eligibility of Provider:

Providers may demonstrate that they meet the criteria for free or reduced-price meals by virtue of their receipt of benefits from *Supplemental Nutrition Assistance Program* (SNAP), TANF benefits, or FDPIR benefits.

In order to classify an FDCH as Tier I based on the provider's categorical eligibility, the SO must:

1. Have on file a completed FSIA for the provider that shows categorical eligibility.
2. Verify with written documentation that the information submitted by the provider is accurate.

If the FDCH is receiving Tier I rates based on the provider's categorical eligibility, eligibility must be redetermined each fiscal year (October 1 through September 30).

SOs are required to submit a list of all providers classified as Tier I homes based on SNAP documentation to the State Agency no later than March 15 of each year.

VERIFICATION OF ELIGIBILITY FOR TIER I STATUS

For homes that are not area-eligible for Tier I status, the provider may apply for Tier I status by completing an FSIA and cooperating with verification requirements.

Verification is the confirmation of eligibility for Tier I status for FDCH providers participating under the CACFP. Verification must include confirmation of reported income or documentation that the provider's household is a current recipient of SNAP, TANF, or FDPIR benefits. This documentation must show the dates of certification.

A. Requirements for Income Verification

1. Verification must take place prior to approving an FDCH for Tier I status.
2. The FDCH SO must complete verification on all providers who completed an FSIA to apply for Tier I status.
3. To determine if a provider meets Tier I eligibility requirements, sponsors must compare the household size and the total household income to the income-eligibility guidelines. Sponsors must obtain written documents to verify income.
4. Special Situations in Determining Household Size
 - a. ***Adopted Child***—An adopted child for whom a household has accepted legal responsibility is considered to be a member of that household.
 - b. ***Child Attending an Institution***—A child who attends, but does not reside in, an institution is considered a member of the household in which he or she resides.
 - c. ***Child Away at School***—A child who is temporarily away at school (e.g., attending boarding school or college) should be counted as a member of the household.
 - d. ***Child Living With One Parent, Relatives, or Friends***—In cases where no specific welfare agency or court is legally responsible for the child or where the child is living with one parent, other relatives, or friends of the family, the child is considered to be a member of the household with whom he or she resides. Children of divorced or separated parents are generally a part of the household that has custody.
 - e. ***Foreign Exchange Student***—A foreign exchange student is considered to be a member of the household in which he or she resides (i.e., the household hosting the student).
 - f. ***Institutionalized Child***—An institutionalized child is a child who resides in a residential-type facility that the state has determined is not a boarding school. Such a child is not counted as part of the provider's household.
 - g. ***Family Members Living Apart***—Family members living apart on a *temporary* basis are considered household members. Family members not living with the household for an *extended* period of time are not considered members of the household for purposes of determining eligibility, but any money made available by them or on their behalf for the household is included as income to the household.

5. Determining Household Income

- a. Income is any money received on a recurring basis.
- b. Households must report all current income. Current income means monies received by the household during the month prior to completing the FSIA.
- c. An FDCH provider is considered to be self-employed and therefore should report net income. Net income for the self-employed is determined by subtracting business expenses from gross receipts.
- d. For self-employed persons, last year's income (tax return information) may be used as long it reflects the current year's net income.
- e. Any wages earned by a member of a provider's household must be reported in gross earnings. Specifically, gross earned income means all money earned before such deductions as income taxes, employee's social security taxes, insurance premiums, and bonds. A wage earner's income is determined by current income information, not the previous year's tax return.
- f. For a household with income from wages and self-employment, each amount must be reported separately. ***When there is a business loss and the income from self-employment is negative, it must be listed as zero income.*** The loss from the self-employed member of the household may not be deducted from the income of any wage earner in the household.
- g. The following is considered income but is not limited to:
 - (1) Wages, salaries, tips, commissions, net income from self-owned businesses and farms, strike benefits, unemployment compensation, and worker's compensation.
 - (2) Public assistance or welfare payments (TANF), alimony or child support payments, ***but not SNAP benefits.***
 - (3) Pensions, retirement income, social security, supplemental security income (SSI), and veteran's payments.
 - (4) Net rental income; annuities; net royalties; disability benefits; interest; dividend income; cash withdrawn from savings; income from estates, trusts, and/or investments; regular contributions from persons not living in the household; and any other money that may be available to the household.

When calculations are made to determine current income, the SO should annotate the figures used in the calculations.

B. Requirements for Categorical Eligibility

Verification of eligibility for providers listing a SNAP or TANF case number on the FSIA may be accomplished by submitting the provider's name and case number to the local SNAP or welfare office for written confirmation of receipt of benefits. The verification is considered complete when the welfare agency responds with written evidence of the household's participation status or the provider furnishes official documentation with effective dates of benefits. When a provider is a participant in the FDPIR with a specific American Indian tribe, the provider must supply a copy of the FDPIR eligibility notification indicating current participation status. If FDPIR participation documents are not available, the SO may request written notification from the American Indian tribe.

1. A SNAP case number is a number beginning with the letter A, B, C, D, H, J, or T and is followed by six or nine digits. ***This must be an Oklahoma SNAP number.***
2. A TANF number is recognized by a number beginning with the letter C or H and is followed by six or nine digits. ***This must be an Oklahoma TANF number.***
3. An FDPIR number has no identifiable format. It may appear to be any combination of letters and/or numbers.

C. Processing Verification Records

1. Whether Tier I status is granted or not, documentation of such efforts must be kept on file to demonstrate compliance with verification requirements for those homes that are not area-eligible.
2. The following may be used by the SO to verify household status of Tier I providers:
 - a. ***Worksheet to Determine Current Monthly Income***, with copies of current gross income receipts in addition to any business expense deductions expected to reflect provider's net income. ***Monthly Record of Income and Expenses*** may be attached to further document provider's monthly income.
 - b. Copies or original pay stubs for wages and salaries earned by household's wage earner.
 - c. Copy of last year's tax return if it is reflective of provider's net income. (Tax return should include a ***Schedule C*** form for self-employed providers that must be used to determine provider's income.)
 - d. Letter from employers of the wage earners in household stating gross wages paid and how often they are paid.
 - e. Verification of government benefits from funding source.
 - f. Copy of participation document for SNAP, TANF, or FDPIR. This documentation must include eligibility dates.
 - g. Copies of court decree for verification of the amount of any child support or alimony.

D. Notification of Status as a Result of Verification

Providers must be notified of their reimbursement status as a result of verification efforts. A written notice of the determination must be given to the provider and a copy of such notice kept on file by the SO.

As the sponsor reevaluates the tiering status of providers, the sponsor must notify the providers, in writing, when there is a change in the tiering status.

APPROVING CACFP FAMILY-SIZE AND INCOME APPLICATIONS

Every application must be approved at face value. Institutions *must not* complete any part of the application for a household nor can an institution require a household to complete an application.

A. The application *MUST* provide the following:

1. ***For Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), and/or Food Distribution Program on Indian Reservations (FDPIR) households:***

- a. The name of each child for whom the application is made.
- b. A SNAP, TANF, or FDPIR case number.
 - (1) SNAP*: A valid SNAP number may begin with the letter **A, B, C, D, H, J, or T** followed by six to nine digits. All valid numbers *MUST* be Oklahoma-issued. Some numbers could also include a dash, followed by two additional numbers.
 - (2) TANF*: A valid TANF number is recognized by a six- to nine-digit number beginning with the letter **C or H**. All valid numbers *MUST* be Oklahoma-issued. This number could be followed by a dash with two additional numbers.
 - (3) FDPIR*: An FDPIR number may be any combination of letters and/or numbers. It has no identifiable format. **NOTE:** A number starting with **KK** should not be considered an FDPIR number.
 - * If an application contains a single case number for SNAP, TANF, or FDPIR, all enrolled children listed on the application must be approved for free meal benefits. Any income information on an application containing a **SINGLE/CORRECT** SNAP, TANF, or FDPIR case number should be disregarded. (Reference USDA Memo SP-38-2009.)
 - * If there is any doubt of the validity of a case number submitted on an application, the institution should contact the appropriate SNAP, TANF, or FDPIR official and document the findings. (This is only for numbers that are not formatted as Oklahoma numbers.)

c. The signature of an adult household member.

2. ***Foster children are now categorically eligible, and the required information for foster children is:***

- a. The name of the child and the indication that the child is a foster child.
- b. The signature of an adult household member.

3. ***For Other Households (Income Households):***

- a. The names of all household members, including all children for whom the application is made.
- b. The amount of gross income received by each household member and the source of the income.
- c. The last four digits of the social security number of the adult household member who signs the application or an indication that the household member does not have one.
- d. The signature of an adult household member.

B. Computation of Current Income

1. Each household ***MUST*** provide the amount of gross income received. Income ***MUST*** be identified with the individual who received it and the source of the income (such as wages or welfare). It is the responsibility of the institution representative to compute the household's total current income and compare the total amount to the income-eligibility guidelines.
2. Households may report incomes for different periods; e.g., one monthly, one every two weeks, one twice a month, and one weekly. The institution representative ***MUST*** convert all reported incomes to ***ANNUAL*** income to determine the total household income.
3. To compute annual income:
 - a. If income is received ***every week***, multiply the total gross income by 52 to determine the annual income.
 - b. If income is received ***every two weeks***, multiply the total gross income by 26 to determine the annual income.
 - c. If income is received ***twice a month***, multiply the total gross income by 24 to determine the annual income.
 - d. If income is received ***once a month***, multiply the gross income by 12 to determine the annual income.

NOTE: In situations where income is reported weekly, every two weeks, monthly, or twice a month, and the software has no provision for dealing with dollars and cents, calculations should be done manually to arrive at the most accurate annual or monthly income. (Reference All State Directors' Memo 2001-CN-8.) All computerized software must include both the dollar amount and the ***CENT*** amount, unless the cents are computed manually.

C. Application Approval or Denial

1. Households that submit an incomplete application cannot be approved. If any ***REQUIRED*** information is missing, the information ***MUST*** be obtained before an eligibility determination can be made. Institutions ***must not*** complete any part of the application for a household.
2. To get the required information, the institution representative may return the application to the household or contact the household either in person, by phone, or in writing. The institution representative must document the details of the contact and date and initial the entry. Applications missing the signature of an adult household member ***MUST*** be returned for signature.

3. Every reasonable effort should be made to obtain the missing information prior to determining the application is not eligible.
4. If there are any inconsistencies or questions concerning the required eligibility information provided, the household's application **MUST** be determined as not eligible unless the inconsistencies or questions are resolved. For instance, if it is unclear whether the household provided weekly or monthly income, this issue **MUST** be resolved before an eligibility determination can be made. The institutional representative may contact the household prior to determining the application is not eligible, document the details of the contact, and date and initial the entry.
5. ***Each CACFP Family-Size and Income Application must contain the approval signature of the institution representative and date the form was approved to be considered valid.***

Effective Date:

CACFP institutions have flexibility concerning the effective date of certification for program benefits. For the purposes of nonschool institutions, the date to be used to make this determination may be either the date the parent or guardian signed the income-eligibility form or the date on which the sponsor or independent center official signs the form to certify eligibility of the participant. However, if the date of parent signature is not within the month of certification or the immediate preceding month, the effective date must be the date of certification. Please note, the date of submission by the parent or guardian is not required to be recorded on the income-eligibility form. (Reference USDA Memo CACFP-01-2015)

D. Foreign Language Translations

Where a significant number or proportion of the population eligible to be served in the institution needs information in a language other than English, institutions **MUST** make reasonable efforts, considering the size and concentration of such population, to send appropriate non-English-language household letters or notices and application forms to such households. USDA provides copies of these applications, which include the following languages: Arabic, Cambodian, Chinese (Mandarin), Farsi, French, Greek, Haitian, Hindi, Hmong, Japanese, Korean, Kurdish, Loatian, Polish, Portuguese, Russian, Samoan, Serbo-Croatian, Somali, Spanish, Sudanese, Tagalog, Thai, Urdu, and Vietnamese. Log onto <http://www.fns.usda.gov/cnd/Care/Benefit_Forms/Translations.htm>.

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EXAMPLE
LETTER TO PROVIDER—TIER I OR PROVIDER'S OWN CHILDREN
(October 1, _____ - September 30, _____)

Dear Provider:

To qualify for Tier I reimbursement or if you wish to receive reimbursement for meals served to your own children under the United States Department of Agriculture's (USDA) Child and Adult Care Food Program (CACFP), you must complete, sign, and return to us the enclosed Family-Size and Income Application (FSIA).

1. **How do I qualify for the Tier 1 reimbursement for meals served to children enrolled in my home?** You must either (a) live in an area that is eligible based on economic need as determined by school enrollment or census data or (b) establish economic need through the information provided on the enclosed FSIA.
2. **Who determines my eligibility as a Tier I FDCH?** Our office will determine your eligibility status. We will use the information you provide on the FSIA. Make sure you complete and sign the form; report all household income (not just your FDCH business income), and provide appropriate records of your income. **Return the completed application and other papers to:** (Name) _____, (Address) _____, (Phone Number) _____.
3. **What kind of records should I submit with my FSIA?** If you operated an FDCH business last year, attach a copy of your most recent tax return, including Schedule C; if your recent tax return and Schedule C are no longer indicative of your income, you may submit documentation of your current income and expenses. To do so, include payment statements for work and other forms of income. The papers you send must show the name of the person who received the income, the date it was received, how much was received, and how often it was received.
4. **How do I get reimbursed for meals served to my own children?** You are required by law to complete this application if you wish to claim meals served to your own children. Even if you live in an area identified as one of economic need or you have already been classified as a Tier 1 home, you must complete this application. Our office **MAY** verify the income information you submit.
5. **If I do not live in an area of economic need or do not want to submit the FSIA, what are my options for reimbursement?** You will receive lower rates of reimbursement for meals served to children enrolled in your FDCH.
6. **Will the information I give be verified?** Maybe. We may ask you to send written proof to verify the information you submitted on the form. **What if I disagree with the decision about the information I complete on this application?** You should talk to your sponsoring organization (SO).
7. **Who should I include as members of my household?** You must include everyone in your household (such as grandparents, other relatives, or friends who live with you) who shares income and expenses. You must include yourself and all children who live with you.
8. **How do I report income information and changes in employment status?** The income you report must be the total gross income listed by source for each household member received last month. If last month's income does not accurately reflect your circumstances, you may provide a projection of your monthly income. If no significant change has occurred, you may use last month's income as a basis to make this projection. If your household's income is equal to or less than the amounts indicated for your household's size on the attached Income-Eligibility Chart, you will receive a higher level of reimbursement. Once properly approved for the higher reimbursement rate, whether through income or proof of benefits as supported by a current Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) case number, you will remain eligible for those benefits for the rest of the fiscal year. You should, however, notify us if you or someone in your household becomes unemployed and the loss of income during the period of unemployment causes your household income to be within the eligibility standards.
9. **May I fill out a form if someone in my household is not a U.S. citizen?** Yes. You or your children do not have to be U.S. citizens.
10. **What if I have foster children?** Foster children are eligible for free meals regardless of their personal income or the income of the household with whom they reside. Households wishing to apply for such benefits for foster children should contact (Sponsoring Organization [SO] Name) _____, (SO Address) _____, (SO Phone Number) _____. Additionally, foster children may be included as members of the household for determining the eligibility of other children in the household for free and reduced-price meals.
11. **We are in the military; do we include our housing and supplemental allowances as income?** If your housing is part of the Military Housing Privatization Initiative and you receive the Family Subsistence Supplemental Allowance, do not include these allowances as income. Also, in regard to deployed service members, only that portion of a deployed service member's income made available by them or on their behalf to the household will be counted as income to the household. Combat Pay, including Deployment Extension Incentive Pay (DEIP), is also excluded and will not be counted as income to the household. All other allowances must be included in your gross income.

This institution is an equal opportunity provider and employer. If you have other questions or need help, call (Phone Number) 555-1111.

Sincerely,
(Signature)

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EXAMPLE
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
FAMILY-SIZE AND INCOME APPLICATION (FSIA)
FOR FAMILY DAY CARE HOMES (FDCH)

FOR SPONSOR USE ONLY:

1. Indicate type of application: Provider Parent/Guardian
 2. Provider's Name: MARTHA LINDSEY Provider Number: 26

PART 1. ALL HOUSEHOLD MEMBERS JIMMY LINDSEY, LISA LINDSEY

a. Name(s) of Enrolled Child(ren)				
b. Names of ALL Household Members (First, Middle Initial, Last)	Age of Enrolled Child(ren)	Birth Date of Enrolled Child(ren)	Check If a Foster Child (The Legal Responsibility of a Welfare Agency or Court)*	Check if NO Income
MARTHA LINDSEY			<input type="checkbox"/>	<input type="checkbox"/>
JIMMY LINDSEY	4	MM/DDYY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LISA LINDSEY	3	MM/DDYY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

PART 2. BENEFITS

If any member of your household receives *SNAP, TANF, or FDPIR* benefits, provide the name and case number for the *ONE* person who receives benefits. *If no one receives these benefits, skip to Part 3.*

NAME: _____ CASE NUMBER: _____

PART 3. IF ANY CHILD YOU ARE APPLYING FOR IS HOMELESS, MIGRANT, OR A RUNAWAY, CHECK THE APPROPRIATE BOX AND CALL (YOUR SCHOOL HOMELESS LIAISON OR MIGRANT COORDINATOR AT PHONE NUMBER) _____.

Homeless Migrant Runaway

PART 4. TOTAL HOUSEHOLD GROSS INCOME. You must tell us how much and how often.

A. NAME (List only household members with income)	B. GROSS INCOME AND HOW OFTEN IT WAS RECEIVED			
	Earnings From Work Before Deductions	Welfare, Child Support, Alimony	Pensions, Retirement, Social Security, SSI, VA Benefits	All Other Income
(Example) Jane Smith	\$ 200 / weekly	\$ 150 / twice a month	\$ 100 / monthly	\$ /
MARTHA LINDSEY	\$ 304.07 / MONTHLY	\$ 100 / MONTHLY	\$ SEE ATTACHMENT	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /

Part 5: Expanded Categorical Eligibility for PARENT/GUARDIAN OF TIER II HOMES ONLY

Women, Infants, and Children (WIC)
 Title XX
 Refugee Assistance
 Commodity Supplement Food Program
 Federally Funded Head Start
 Energy Program (LIHEAP)
 National School Lunch/School Breakfast Programs (NSLP/SBP)
 Child Care Development Fund

PART 6. SIGNATURE AND LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER (ADULT MUST SIGN).

An adult household member must sign this form. *If Part 4 is completed, the adult signing the form also must list the last four digits of his or her social security number or mark the I do not have a social security number box.* (See Privacy Act Statement below.)

I certify that all information on this form is true and that all income is reported. I understand that the FDCH will get federal funds based on the information that I give. I understand that CACFP officials may verify the information. I understand that if I purposely give false information, the participant receiving meals may lose the meal benefits and I may be prosecuted.

Sign Here: Martha Lindsey Print Name: MARTHA LINDSEY
 Date: MM/DD/YYYY
 Address: 111 1st STREET Phone Number: 405-662-1343
 City: ANYWHERE State: OK Zip Code: 78910
 Last four digits of social security number: *** - ** - 2 2 2 2 I do not have a social security number.

Part 7: Participant's Ethnic and Racial Identities (Optional)

Mark one ethnic identity:
 Hispanic or Latino
 Not Hispanic or Latino

Mark one or more racial identities:
 Asian
 White
 American Indian or Alaska Native
 Native Hawaiian or other Pacific Islander
 Black or African American

PART 8: OTHER BENEFITS: You do not have to complete this part to participate in the CACFP.

Health Insurance Yes, I want health insurance for my children. Insitution officials may give information from my FSIA to SoonerCare Health Benefit officials so that they can send me information about free or low-cost health insurance for my children.
 No, I *DO NOT* want information from my FSIA shared with SoonerCare Health Benefits officials.

I certify that I am the parent/guardian of the children for whom application is being made.

I understand that I will be releasing information that will show that I applied for free or reduced-price meals for my children. I give up my rights to confidentiality for this purpose only.

Signature of Parent/Guardian: Martha Lindsey Date: MM/DD/YYYY

The participant in the day care facility may qualify for free or reduced-price meals if your household income falls within the limits of this chart.

185% of Poverty Level	
Household Size	Yearly
1	21,775
2	29,471
3	37,167
4	44,863
5	52,559
6	60,255
7	67,951
8	75,647
Each additional person:	7,696

Privacy Act Statement: The Richard B. Russell National School Lunch Act requires the information on this application. You do not have to give the information, but if you do not, we cannot approve the participant for free or reduced-price meals. You must include the last four digits of the social security number of the adult household member who signs the application. The last four digits of the social security number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) case number or other FDPIR identifier or when you indicate that the adult household member signing the application does not have a social security number. We will use your information to determine if the participant is eligible for free or reduced-price meals and for administration and enforcement of the Programs.

In accordance with federal civil rights law and United States Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, office, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language [ASL]) should contact the agency (state or local) where they applied for benefits. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay Service at 800-877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the *USDA Program Discrimination Complaint Form* (AD-3027) found online at: <http://www.ascr.usda.gov/complaint_filing_cust.html> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by:

1. Mail: U. S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410
2. Fax: 202-690-7442
3. E-Mail: program.intake@usda.gov

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DO NOT FILL OUT THIS PART. THIS IS FOR OFFICIAL USE ONLY.

Annual Income Conversion: Weekly x 52, Every 2 Weeks x 26, Twice a Month x 24, Monthly x 12
 Total Income: 18,848.84 Per: Week ____ Every 2 Weeks ____ Twice a Month ____ Month ____ Year X
 Household Size: 3
 Categorical Eligibility: ____ Date Withdrawn: ____ Eligibility: Free ____ Reduced ____ Denied ____ Tier I X Tier II ____
 Reason: _____
 Determining Official's Signature: Jennifer Jones Date: MM/DD/YYYY

INSTRUCTIONS FOR COMPLETING THE FDCH FAMILY-SIZE AND INCOME APPLICATION (FSIA)

IF YOUR HOUSEHOLD RECEIVES BENEFITS FROM *SNAP*, *TANF*, OR *FDPIR*, FOLLOW THESE INSTRUCTIONS:

- Part 1:** a. List all enrolled children.
b. List all household members; including the enrolled children. For each enrolled child, include his/her age and birth date.
- Part 2:** List the case number for any household member (including adults) receiving *SNAP*, *TANF*, or *FDPIR* benefits.
- Part 3:** Skip this part.
- Part 4:** Skip this part.
- Part 5:** Skip this part.
- Part 6:** Sign the form. The last four digits of a social security number are *NOT* necessary.
- Part 7:** Answer this question if you choose.
- Part 8:** *OTHER BENEFITS*. You may be eligible for free or low-cost health insurance for your children. You are not required to complete this to get meal benefits.

IF YOU ARE APPLYING FOR A FOSTER CHILD, FOLLOW THESE INSTRUCTIONS:

- **If ALL children you are applying for are foster children or if you are only applying for benefits for the foster child:**

- Part 1:** a. List all enrolled foster children.
b. List all foster children with ages and birth dates of those enrolled. Check the box indicating the child is a foster child.
- Part 2:** Skip this part.
- Part 3:** Skip this part.
- Part 4:** Skip this part.
- Part 5:** Skip this part.
- Part 6:** Sign the form. The last four digits of a social security number are *NOT* necessary.
- Part 7:** Answer this question if you choose.
- Part 8:** *OTHER BENEFITS*. You may be eligible for free or low-cost health insurance for your children. You are not required to complete this to get meal benefits.

- **If some of the children in the household are foster children:**

- Part 1:** a. List all enrolled children.
b. List all household members; including the enrolled children. For each enrolled child, include his/her age and birth date. For any person, including children, with no income, you must check the *No Income* box.
- Part 2:** If the household does not have a case number, skip this part.
- Part 3:** If any child you are applying for is homeless, migrant, or a runaway, check the appropriate box and call (*your school homeless liaison or migrant coordinator*) _____. If not, skip this part.
- Part 4:** Follow these instructions to report total household income from this month or last month.
- **Column A—Name:** List only the first and last name of *EACH* person living in your household, related or not (such as grandparents, other relatives, or friends who live with you) who share income and expenses. Include yourself and all children living with you. Attach another sheet of paper if you need to.
 - **Column B—Gross Income and How Often It Was Received:** For each household member, list each type of income received for the month. You must tell us how often the money is received—weekly, every other week, twice a month, or monthly.
In Box 1, list the *gross income*, not the take-home pay. Gross income is the amount earned *BEFORE* taxes and other deductions. You should be able to find it on your pay stub, or your boss can tell you.
In Box 2, list the amount each person got for the month from welfare, child support, alimony.
In Box 3, list retirement, Social Security, Supplemental Security Income (SSI), veteran's benefits (VA benefits), and disability benefits.

In Box 4, list **All Other Income Sources**, including Worker’s Compensation, unemployment, strike benefits, regular contributions from people who do not live in your household, and any other income. Do not include income from SNAP, TANF, FDPIR, WIC, or federal education benefits. For **ONLY** the self-employed, under *Earnings From Work*, report income after expenses. This is for your business, farm, or rental property. If you are in the Military Privatized Housing Initiative or get Combat Pay, do not include these allowances as income.

Part 5. EXPANDED CATEGORICAL ELIGIBILITY: For parent/guardian of enrolled children to complete, if applicable. Indicate by checking if household participates in any of the listed programs. Skip Parts 2, 3, and 4. An adult household member must sign the application in Part 6. A social security number is not required. (Providers do not qualify for expanded categorical eligibility.)

Part 6: Adult household member must sign the form and list the last four digits of his/her social security number or mark the box if he/she does not have one.

Part 7: Answer this question if you choose.

Part 8: OTHER BENEFITS. You may be eligible for free or low-cost health insurance for your children. You are not required to complete this to get meal benefits.

ALL OTHER HOUSEHOLDS, INCLUDING WIC HOUSEHOLDS, FOLLOW THESE INSTRUCTIONS:

Part 1: a. List all enrolled children.
b. List all household members; for the enrolled child(ren), list age(s) and birth date(s). Check the box indicating the child is a foster child. For any person, including children, with no income, you must check the **No Income** box.

Part 2: Skip this part.

Part 3: Skip this part.

Part 4: Follow these instructions to report total household income from this month or last month.

- **Column A—Name:** List only the first and last name of **EACH** person living in your household, related or not (such as grandparents, other relatives, or friends who live with you) who share income and expenses. Include yourself and all children living with you. Attach another sheet of paper if you need to.
- **Column B—Gross Income and How Often It Was Received:** For each household member, list each type of income received for the month. You must tell us how often the money is received—weekly, every other week, twice a month, or monthly.

In Box 1, list the **gross income**, not the take-home pay. Gross income is the amount earned **BEFORE** taxes and other deductions. You should be able to find it on your pay stub, or your boss can tell you.

In Box 2, list the amount each person got for the month from welfare, child support, alimony.

In Box 3, list retirement, Social Security, Supplemental Security Income (SSI), veteran’s benefits (VA benefits), and disability benefits.

In Box 4, list **All Other Income Sources**, including Worker’s Compensation, unemployment, strike benefits, regular contributions from people who do not live in your household, and any other income. Do not include income from SNAP, TANF, FDPIR, WIC, or federal education benefits. For **ONLY** the self-employed, under *Earnings From Work*, report income after expenses. This is for your business, farm, or rental property. If you are in the Military Privatized Housing Initiative or get Combat Pay, do not include these allowances as income.

Part 5. EXPANDED CATEGORICAL ELIGIBILITY: For parent/guardian of enrolled children to complete, if applicable. Indicate by checking if household participates in any of the listed programs. Skip Parts 2, 3, and 4. An adult household member must sign the application in Part 6. A social security number is not required. (Providers do not qualify for expanded categorical eligibility.)

Part 6: Adult household member must sign the form and list the last four digits of his/her social security number or mark the box if he/she does not have one.

Part 7: Answer this question if you choose.

Part 8: OTHER BENEFITS. You may be eligible for free or low-cost health insurance for your children. You are not required to complete this to get meal benefits.

PRIVACY ACT STATEMENT: This explains how we will use the information you give us.

NONDISCRIMINATION STATEMENT: This explains what to do if you believe you have been treated unfairly.

EXAMPLE

WORKSHEET TO DETERMINE CURRENT MONTHLY INCOME

(Without a Tax Return)

DO NOT USE FOR PROVIDERS WHO ARE AREA-ELIGIBLE

Provider Name: MARTHA LINDSEY Provider Number: 26
 Date: MM/DD/YYYY

Your family day care home (FDCH) is not located in an area that qualifies you for Tier I rates. However, you may apply for these higher rates by completing a Family-Size and Income Application (FSIA). (See attached.) If your current household income is within the Tier I eligibility guidelines, you must provide written proof of all income before the determination can be made. Current participation in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) program will also be verified with the appropriate agencies. If your income information qualifies you as a Tier I home, all meals served to enrolled children will be reimbursed at the higher rate.

If you choose to provide a copy of your last year's tax return for verification purposes, it must be representative of your current income as a self-employed day care provider. Any other household members who are wage earners must supply last month's proof of income (pay stub, etc.) instead of using tax return information. FDCHs operating for less than the full tax period will take net profits and divide by the number of months in operation to determine current net income. New providers not operating an FDCH last year will need to calculate their current income. Below is a worksheet to help assess your income and to determine what documents must be provided for verification. Once you have determined your household income information, complete the FSIA and attach copies of receipts, pay stubs, etc., along with this worksheet. Any business expense without proper documentation will not be deducted from gross profits.

Last Month's Gross Income of Provider:

Parent fee (provide copy of payment records)	\$	<u>975.00</u>
DHS/Tribal copayments (provide copy of payment records)	\$	<u>0</u>
DHS/Tribal payments (provide copy of claim)	\$	<u>0</u>
Other: _____	\$	<u>0</u>

CHILD AND ADULT CARE FOOD PROGRAM: \$ 0
 (The amount of your reimbursement from last month [if applicable])

GRAND TOTAL OF PROVIDER'S GROSS INCOME: \$ 975.00
 (A)

Last Month's Business Expenses of Provider:

(You must attach itemized receipts for any expense you wish deducted)

Day care home food and food-related supplies*	\$	<u>563.00</u>
Day care business-related expenses		
Advertising	\$	<u>0</u>
Toys/books/art supplies	\$	<u>0</u>
Bank/legal fees	\$	<u>10.00</u>
Rent (X Time and Space %)**	\$	<u>0</u>
Utilities (X Time and Space %)**	\$	<u>0</u>
Child care supplies (diapers, cleaning supplies)	\$	<u>97.93</u>
Other: _____	\$	<u>0</u>

GRAND TOTAL OF ALL BUSINESS EXPENSES: \$ 670.93
 (B)

\$ <u>975.00</u>	— \$ <u>670.93</u>	= \$ <u>304.07</u>
(A) Gross Income	(B) Business Expenses	CURRENT NET INCOME LAST MONTH

* In lieu of receipts, meals claimed multiplied by Tier I rates would be acceptable.

** Internal Revenue Service (IRS) Publication 587 must be used to document business use of your home.

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**LETTER TO SNAP, TANF, OR FDPIR OFFICE FROM CACFP
SPONSORING ORGANIZATION
INSTRUCTIONS**

1. Submit this form to the Department of Human Services (DHS) or Tribal Agency to verify that a provider is receiving SNAP, TANF, or FDPIR benefits.
2. Duplicate and place in provider's file.

PROVIDER VERIFICATION RESULTS INSTRUCTIONS

1. Use this form to notify providers of the verification results of their Tier I status when submitting household income information.
2. Maintain a copy of the results of verification with each provider's file.

NOTE: This form must be sent to each provider each time a household income is reevaluated.

EXAMPLE

PROVIDER VERIFICATION RESULTS

Dear MARTHA LINDSEY : Home #: 26 Date: MM/DD/YYYY

As a result of verification efforts required by Child and Adult Care Food Program (CACFP) Family Day Care Home (FDCH) Tiering Regulations, your eligibility status is as follows:

Tier I status is granted beginning on MM/DD/YYYY

Tier I status is denied due to the following reason:

Income is over allowable amount.

You did not provide complete proof of eligibility.

Your Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR) participation could not be verified.

If you did not qualify as a Tier I home but have a decrease in household income, a household member becomes unemployed, or have a change in household size, you may reapply for Tier I status. If you did not qualify due to incomplete proof of eligibility and you now have complete documentation, you may reapply for Tier I benefits. You may contact our office at 500-555-1212 to discuss this possibility.
(Phone Number)

Sincerely,

SAM BANKS

(Sponsoring Organization Representative)

EXECUTIVE DIRECTOR

(Title)

(Sponsoring Organization Name)

Privacy Act Statement: The Richard B. Russell National School Lunch Act requires the information on this application. You do not have to give the information, but if you do not, we cannot approve the participant for free or reduced-price meals. You must include the last four digits of the social security number of the adult household member who signs the application. The last four digits of the social security number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) case number or other FDPIR identifier or when you indicate that the adult household member signing the application does not have a social security number. We will use your information to determine if the participant is eligible for free or reduced-price meals and for administration and enforcement of the Programs.

In accordance with federal civil rights law and United States Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, office, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language [ASL]) should contact the agency (state or local) where they applied for benefits. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay Service at 800-877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the *USDA Program Discrimination Complaint Form* (AD-3027) found online at: http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by:

1. Mail: U. S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410
2. Fax: 202-690-7442
3. E-Mail: program.intake@usda.gov

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PROVIDER'S OWN CHILDREN

Meals served to the provider's own children may only be reimbursed if the following three conditions exist:

1. The provider's children must be enrolled and participating in the child care program during the time of the meal service.
2. Other enrolled nonresident children must be present and participating in the same meal service.
3. The SO must have a Family-Size and Income Application (FSIA) on file for the provider's household showing that the provider's household is income-eligible or categorically eligible. If a provider qualifies as Tier I based on school or census data, the sponsoring organization (SO) is **not required** to verify the income or categorical eligibility status.

The term *provider's own children* refers to all residential children in the provider's household who are part of the economic unit of the family. A family is a group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit. Therefore, a provider's own children include children by birth or adoption, foster children, grandchildren, or housemates' children who are part of the economic unit. Informal extended family situations frequently exist in low-income areas, and all such children should be included in the provider's household. Children whose parents or guardians have made a contractual agreement, either formal or informal, with a provider for residential care, and whose relationship is defined primarily by the child care situation, are not considered the *provider's own children*.

If the provider has been determined to be eligible for Tier I rates due to area information—either school or census data—the provider's own children will be eligible for reimbursement only if the provider has completed an FSIA and has been determined to qualify for benefits on the basis of household income or because the household participates in the Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program on Indian Reservations (FDPIR), or Temporary Assistance to Needy Families (TANF) program.

NOTE: A provider is forbidden to claim another provider's child(ren). See agreement.

TIER II FAMILY DAY CARE HOMES

A Tier II family day care home (FDCH) is defined as one that does **NOT** meet the criteria for classifying an FDCH as Tier I. That is, it would **NOT** be located in an area that meets the criteria for school or census data **NOR** would the provider's household have submitted a Family-Size and Income Application (FSIA) documenting verified income eligibility or verified categorical eligibility.

Tier II FDCHs may still receive Tier I rates for those children enrolled in their care who are individually determined to be eligible for Tier I reimbursement. The FDCH provider has the option to decide whether or not he or she wishes to take advantage of this option.

Meals served to a child in Tier II FDCHs are eligible for Tier I reimbursement if the child's household meets one the following conditions:

- It may be determined to be **income-eligible** if it has completed an FSIA that shows the household income meets USDA's income-eligibility guidelines.
- It may be categorically eligible if it participates in the Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program on Indian Reservations (FDPIR), or Temporary Assistance to Needy Families (TANF) program.
- It may meet the **EXPANDED** categorical-eligibility criteria if it is participating in or subsidized under any federally or state-supported child care or other benefit program with an income-eligibility limit that does not exceed 185 percent of the income guidelines for poverty.

The expanded categorical-eligibility criteria were established by P.L. 104-193 only for children enrolled in Tier II homes. It does NOT apply to the determination of provider eligibility for Tier I status or to the provider's own children in Tier I FDCHs.

If a provider chooses to distribute FSIA's and all enrolled children meet the income-eligibility guidelines, the home is categorized as **Tier II-Higher (II-H)**.

Those Tier II homes that receive some combinations of Tier I and Tier II reimbursement rates for meals served to enrolled children are considered to be **Tier II-Mixed (II-M)** homes. The provider will receive Tier I rates for meals served to children who have been determined to be eligible based on household size and income, receipt of categorically eligible benefits, or receipt of expanded categorically eligible benefits. Tier II rates apply for meals served to all other children.

If a provider chooses not to distribute FSIA's to participating households or the FSIA's that were distributed do not meet the eligibility criteria, the home is categorized as a **Tier II-Lower (II-L)** home. The provider will receive Tier II rates for meals served to all children in the home.

Distribution and Return of FSIA's

Tier II FDCH providers now have specific authority to collect the household income-eligibility forms from households and transmit them to their sponsors. However, if Tier II FDCH providers wish to collect and transmit household information, they or the sponsors must ensure that each household knows:

- The household is not required to complete the income-eligibility form in order for its children to participate in CACFP.
- Households have the option, if they choose to complete the income-eligibility form, of either:
 - Returning the form directly to the sponsor at the address indicated on the form.
 - OR
 - Returning the form to the provider with written consent allowing the provider to collect the form and transmit it to the sponsor on the household's behalf.

The sponsoring organization (SO) may also provide the FSIA directly to the family and request that the information be returned directly to them.

The SO may wish to provide stamped, self-addressed envelopes to facilitate the return of the completed FSIA's. This is not required; however, it is in the best interest of the sponsor and the child care provider to encourage households to return completed FSIA's promptly. They may be provided to the provider as well.

If the provider elects to have the SO collect income information from participating households, the SO will be responsible for:

- Collecting FSIA's from the households of all children enrolled in the home.
- Determining which FSIA's meet the eligibility standards.

Since an FDCH may qualify as a Tier I home on the basis of the provider's household eligibility for free or reduced-price meals, by definition there will be no meals reimbursed for provider's own children in Tier II homes.

Confidentiality of Information

In order to provide confidentiality to households and to prevent the overt identification of Tier I children, SOs are prohibited from making Tier I eligibility information concerning individual households available to FDCH providers. This information may only be made available to persons directly connected with the administration and monitoring of the program.

Therefore, sponsors may inform providers in Tier II homes only of the **NUMBER** of enrolled children determined by the SO as eligible for Tier I benefits. The providers may not be informed of the names of children eligible for either Tier I or Tier II reimbursement.

EXAMPLE
LETTER TO HOUSEHOLD—TIER II FAMILY DAY CARE HOMES (FDCH)

(October 1, _____ - September 30, _____)

Dear Parent/Guardian:

This letter is intended for parents or guardians of children enrolled at a family day care home (FDCH). (**Name of FDCH**) Sami Smith offers healthy meals to all enrolled children as part of our participation in the United States Department of Agriculture's (USDA) Child and Adult Care Food Program (CACFP). The CACFP provides reimbursements for healthy meals and snacks served to children enrolled in child care. Please help us comply with the requirements of the CACFP by completing the attached Family-Size and Income Application (FSIA).

1. **Am I required to complete an FSIA in order for my child(ren) to receive CACFP benefits?** No, but if you choose to do so, your provider may receive a higher reimbursement for the meals served to your child(ren). If you do complete the FSIA, you have the option of returning it directly to your provider or to the provider's sponsor, (**Sponsor's Name**) _____ . If you would like to provide your FSIA directly to the sponsor, return the completed form to: (**Sponsor's Name**) _____ , (**Address**) _____ , (**Phone Number**) _____ .

_____ Initial here if you consent to allowing (**Provider's Name**) _____ to collect your form and provide it to the sponsor. (**Provider's Name**) _____ will not review your form.

2. **Do I need to fill out an FSIA for each of my children in day care?** You may complete and submit one FSIA for all children enrolled in child care in your household **ONLY** if the children in child care are enrolled in the same home. We cannot approve a form that is not complete, so be sure to read the instructions carefully and fill out all required information.
3. **Who qualifies for the higher reimbursement without providing income information?** Your provider will receive a higher reimbursement for meals served to foster children and children in households getting Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR). Children in households participating in Women, Infants, and Children (WIC) also **MAY** qualify for the higher reimbursement.
4. **Who qualifies for the higher reimbursement based on income?** Your provider may receive a higher reimbursement for the meals served to your children if your household income is within the reduced-price limits on the Income-Eligibility Guidelines, shown on this application. Children in households participating in WIC **MAY** be eligible for the higher reimbursement.
5. **May I fill out an application if someone in my household is not a U.S. citizen?** Yes. You or your children do not have to be U.S. citizens to qualify for meal benefits offered at the FDCH.
6. **Who should I include as members of my household?** You must include everyone in your household (such as grandparents, other relatives, or friends who live with you) who share income and expenses. You must include yourself and all children who live with you. You also may include any foster children living with you.
7. **How do I report income information and changes in employment status?** The income you report must be the total gross income listed by source for each household member received last month. If last month's income does not accurately reflect your circumstances, you may provide a projection of your monthly income. If no significant change has occurred, you may use last month's income as a basis to make this projection. If your household's income is equal to or less than the amounts indicated for your household's size on the attached Income-Eligibility Chart, the FDCH will receive a higher level of reimbursement. Once properly approved for the higher reimbursement rate, whether through income or by providing a current SNAP, TANF, or FDPIR case number, you will remain eligible for those benefits for the rest of the fiscal year. You should, however, notify us if you or someone in your household becomes unemployed and the loss of income during the period of unemployment causes your household income to be within the eligibility standards.
8. **What if my income is not always the same?** List the amount that you normally get. For example, if you normally get \$1000 each month, but you missed some work last month and only got \$900, put down that you get \$1000 per month. If you normally get overtime, include it, but not if you only get it sometimes.
9. **What if I have foster children?** Foster children that are under the legal responsibility of a foster care agency or court automatically qualify for the higher reimbursement. Any foster child in the household qualifies regardless of income. Households may include foster children on the FSIA but are not required to include payments received for the foster child as income. Households wishing to apply for such benefits for foster children should contact (**Sponsoring Organization [SO] Name**) _____ , (**SO Address**) _____ , (**SO Phone Number**) _____ .
10. **We are in the military; do we include our housing and supplemental allowances as income?** If your housing is part of the Military Housing Privatization Initiative and you receive the Family Subsistence Supplemental Allowance, do not include these allowances as income. Also, in regard to deployed service members, only that portion of a deployed service member's income made available by them or on their behalf to the household will be counted as income to the household. Combat Pay, including Deployment Extension Incentive Pay (DEIP), is also excluded and will not be counted as income to the household. All other allowances must be included in your gross income.

This institution is an equal opportunity provider and employer. If you have other questions or need help, call (**Phone Number**) _____ .

Sincerely,
(**Signature**) _____

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EXAMPLE
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)
FAMILY-SIZE AND INCOME APPLICATION (FSIA)
FOR FAMILY DAY CARE HOMES (FDCH)

FOR SPONSOR USE ONLY:

1. Indicate type of application: Provider Parent/Guardian
 2. Provider's Name: PATTY PERFECT Provider Number: 43

PART 1. ALL HOUSEHOLD MEMBERS JIMMY JAMES

a. Name(s) of Enrolled Child(ren)

b. Names of ALL Household Members (First, Middle Initial, Last)	Age of Enrolled Child(ren)	Birth Date of Enrolled Child(ren)	Check If a Foster Child (The Legal Responsibility of a Welfare Agency or Court)*	Check if NO Income
PATTY PERFECT			<input type="checkbox"/>	<input checked="" type="checkbox"/>
JIMMY JAMES	10 MO	MM/DD/YY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

PART 2. BENEFITS

If any member of your household receives *SNAP*, *TANF*, or *FDPIR* benefits, provide the name and case number for the *ONE* person who receives benefits. *If no one receives these benefits, skip to Part 3.*

NAME: _____ CASE NUMBER: _____

PART 3. IF ANY CHILD YOU ARE APPLYING FOR IS HOMELESS, MIGRANT, OR A RUNAWAY, CHECK THE APPROPRIATE BOX AND CALL (YOUR SCHOOL HOMELESS LIAISON OR MIGRANT COORDINATOR AT PHONE NUMBER) _____.

Homeless Migrant Runaway

PART 4. TOTAL HOUSEHOLD GROSS INCOME. You must tell us how much and how often.

A. NAME (List only household members with income)	B. GROSS INCOME AND HOW OFTEN IT WAS RECEIVED			
	Earnings From Work Before Deductions	Welfare, Child Support, Alimony	Pensions, Retirement, Social Security, SSI, VA Benefits	All Other Income
(Example) Jane Smith	\$ 200 / weekly	\$ 150 / twice a month	\$ 100 / monthly	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /
	\$ /	\$ /	\$ /	\$ /

Part 5: Expanded Categorical Eligibility for PARENT/GUARDIAN OF TIER II HOMES ONLY

Women, Infants, and Children (WIC) Title XX Refugee Assistance Commodity Supplement Food Program
 Federally Funded Head Start Energy Program (LIHEAP) National School Lunch/School Breakfast Programs (NSLP/SBP) Child Care Development Fund

PART 6. SIGNATURE AND LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER (ADULT MUST SIGN).

An adult household member must sign this form. *If Part 4 is completed, the adult signing the form also must list the last four digits of his or her social security number or mark the I do not have a social security number box.* (See Privacy Act Statement below.)

I certify that all information on this form is true and that all income is reported. I understand that the FDCH will get federal funds based on the information that I give. I understand that CACFP officials may verify the information. I understand that if I purposely give false information, the participant receiving meals may lose the meal benefits and I may be prosecuted.

Sign Here: J T James Print Name: J T JAMES
 Date: MM/DD/YYYY
 Address: _____ Phone Number: 421-0393
 City: _____ State: _____ Zip Code: _____
 Last four digits of social security number: *** - ** - ____ I do not have a social security number.

Part 7: Participant's Ethnic and Racial Identities (Optional)

Mark one ethnic identity:
 Hispanic or Latino
 Not Hispanic or Latino

Mark one or more racial identities:
 Asian
 White
 American Indian or Alaska Native
 Native Hawaiian or other Pacific Islander
 Black or African American

PART 8: OTHER BENEFITS: You do not have to complete this part to participate in the CACFP.

Health Insurance Yes, I want health insurance for my children. Insitution officials may give information from my FSIA to SoonerCare Health Benefit officials so that they can send me information about free or low-cost health insurance for my children.
 No, I **DO NOT** want information from my FSIA shared with SoonerCare Health Benefits officials.

I certify that I am the parent/guardian of the children for whom application is being made.

I understand that I will be releasing information that will show that I applied for free or reduced-price meals for my children. I give up my rights to confidentiality for this purpose only.

Signature of Parent/Guardian: J T James Date: MM/DD/YYYY

The participant in the day care facility may qualify for free or reduced-price meals if your household income falls within the limits of this chart.

185% of Poverty Level	
Household Size	Yearly
1	21,775
2	29,471
3	37,167
4	44,863
5	52,559
6	60,255
7	67,951
8	75,647
Each additional person:	7,696

Privacy Act Statement: The Richard B. Russell National School Lunch Act requires the information on this application. You do not have to give the information, but if you do not, we cannot approve the participant for free or reduced-price meals. You must include the last four digits of the social security number of the adult household member who signs the application. The last four digits of the social security number is not required when you apply on behalf of a foster child or you list a Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), or Food Distribution Program on Indian Reservations (FDPIR) case number or other FDPIR identifier or when you indicate that the adult household member signing the application does not have a social security number. We will use your information to determine if the participant is eligible for free or reduced-price meals and for administration and enforcement of the Programs.

In accordance with federal civil rights law and United States Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, office, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, disability, age, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language [ASL]) should contact the agency (state or local) where they applied for benefits. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay Service at 800-877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the **USDA Program Discrimination Complaint Form** (AD-3027) found online at: <http://www.ascrusda.gov/complaint_filing_cust.html> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call 866-632-9992. Submit your completed form or letter to USDA by:

1. Mail: U. S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410
2. Fax: 202-690-7442
3. E-Mail: program.intake@usda.gov

This institution is an equal opportunity provider.

DO NOT FILL OUT THIS PART. THIS IS FOR OFFICIAL USE ONLY.

Annual Income Conversion: Weekly x 52, Every 2 Weeks x 26, Twice a Month x 24, Monthly x 12

Total Income: _____ Per: Week _____ Every 2 Weeks _____ Twice a Month _____ Month _____ Year _____

Household Size: _____

Categorical Eligibility: _____ Date Withdrawn: _____ Eligibility: Free _____ Reduced _____ Denied _____ Tier I Tier II _____

Reason: _____

Determining Official's Signature: Sam Banks Date: MM/DD/YYYY