

Family Child Care Homes & the Child and Adult Care Food Program (CACFP) Basic Background



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Introduction: The Child and Adult Care Food Program (CACFP), often referred to as “the food program” is a federal program that offers child care providers partial reimbursement for nutritious meals and snacks. The agency that administers CACFP in New Jersey is the NJ Department of Agriculture.

Intent of CACFP. The intent of CACFP is to provide a financial incentive to child care providers to offer healthy meals and snacks to children in their care. While business revenue for providers, the ultimate beneficiaries are the children who receive healthy meals and snacks.

How the Program Works for Registered Family Child Care Providers. Registered FCC providers who want to participate in CACFP are overseen by a local sponsoring organization – usually a local Child Care Resource & Referral (CCR&R) agency. The sponsor is charged with overseeing the program, making sure that program rules are followed (e.g., meals and snacks meet CACFP nutrition guidelines), and that reimbursement is provided only for children in attendance (not just children who are enrolled in a program, but who are actually present to eat that day).

Food Reimbursement Rates. Food is reimbursed by rates set by the U.S. Department of Agriculture every July (e.g., the [current rates](#) were set in July 2025 and will be updated in July 2026). FCC homes qualify for either Tier I reimbursement or Tier II reimbursement.

Tier I FCC providers. A tier I home receives higher reimbursement than Tier II. FCC homes are designated as Tier I either by location – near an elementary school where 50% or more of the children receive free or reduced price meals or [Census Bureau data](#) that shows that 50% or more of the children are eligible for free or

reduced price meals – at or below 185% of the federal poverty level (FPL). Alternatively, a provider can qualify as a Tier I home if her household income is at or below 85% FPL.

Tier II FCC providers. A Tier II home is one that doesn’t meet the Tier I criteria. The Tier II reimbursement rates are lower than Tier I. It is possible for a Tier II home to receive Tier I reimbursement rates for qualifying children. In order for children to qualify for Tier I rates, an income eligibility form is required. Many sponsoring agencies are in charge of reviewing income eligibility so that providers do not feel uncomfortable asking parents for income information. When children qualify, Tier II providers receive payment for those children at Tier I rates. Families who receive SNAP or TANF automatically qualify for Tier I rates.

What this means is that a Tier II provider can be reimbursed for children at different rates depending upon household income. If a provider does not want to ask families to fill out an income form to check to see if the household qualifies for Tier I reimbursement, then the provider does not need to do so. The provider can simply receive the Tier II rate.

The Provider’s Own Children. FCC providers can receive reimbursement for their own children as long as the child is enrolled in the program (e.g., the provider must fill out the same enrollment form that other families do when they enroll their children). The provider’s children can receive Tier I reimbursement if found income eligible (just like other children). Otherwise, the reimbursement rate would be at the Tier II rate.

The Value of CACFP for FCC providers. While CACFP is only partial reimbursement, it is revenue for FCC providers. Reimbursement is allowed for each child in attendance for 2 meals

and 1 snack daily or 2 snacks and 1 meal. Meals and snacks are reimbursed at different rates.

For example, for a Tier I home that has 5 children eating 2 meals and 1 snack per day, that's about \$7,600 per year in reimbursement. For a Tier II home that has 5 children eating 2 meals and 1 snack per day, that's about \$3,600 per year in reimbursement. If a Tier II home has 3 Tier I children and 2 Tier II children, that's about \$6,000 per year.

While the Tier II rates are lower, it is still income to the FCC program. And, partial reimbursement is better than none.

Frequently Asked Questions.

Do FCC providers have to ask parents for information about their income? No. FCC providers can receive Tier II reimbursement without income information from parents. Income verification is only needed for providers to be reimbursed at the Tier I rates.

What about infants? Is reimbursement different for infants or toddlers compared to other children? Infants or toddlers enrolled in FCC homes are reimbursed at the same rate as other children. Infants from birth up to 7 months whose meals are breast milk provided by the parent or formula, still qualify for reimbursement if "served" by the provider. No reimbursement is allowed if the parent comes to the home to breast-feed the infant. Providers who nurse their own baby qualify for reimbursement as long as there are other children in the program who receive meals.

What are the nutrition requirements? Am I stuck buying only the most expensive food? Food reimbursed through CACFP needs to meet minimum nutrition requirements for milk, fruits and vegetables, bread or grains, and meat or meat alternatives. However, these are basic items at grocery stores, not specialty stores. Many FCC providers work with their sponsoring agency to develop menus for the week and then rotate those menus every month or 6 weeks.

The U.S. Department of Agriculture, Food and Nutrition Service, has a web page of [recipes](#), including [multi-cultural recipes](#), for FCC providers including breakfast, lunch, and snacks.

What type of records do FCC providers need to keep in order to submit claims for reimbursement? In general, FCC providers need to follow their weekly menus (food substitutions are allowed as long as they meet nutrition guidelines). In addition, they need to keep daily attendance so they can tally up the number of meals and snacks served per child daily, which then is tallied over the month. The sponsoring agency can help set up a template for record-keeping so that this task is easy. The basic point is that to receive reimbursement, the sponsoring agency needs to see the number of snacks and meals served every month.

Are there any other rules for FCC providers to know? In New Jersey, [state law](#) allows 4 children under 2 years of age (of whom no more than 2 children are below 1 year of age) for 1 caregiver. CACFP rules allow no more than 2 children under age 3 when only 1 caregiver is present.

How does the sponsoring agency monitor the food program? What is required of FCC providers? FCC providers do not need to do anything different. The sponsoring agency is required by federal law to visit three times per year. This is to guard against fraud (e.g., to ensure that claims are submitted only for children who actually are in attendance). And to ensure that the menus aren't fake – that the food providers say will be provided actually are. It's ok to substitute food items, but they need to be reflected in the menu so that the CACFP monitor can see that nutrition requirements are followed.

Can FCC providers who offer shifts where over the day 8 children are in care (but only 5 at one time) be paid for all children? Yes, as long as they eat meals or snacks at the program.

How do FCC providers join the CACFP program? Contact your [local CCR&R!](#)