

***A Growing Gap:  
The Status of the Child and  
Adult Care Food Program  
(CACFP) in Los Angeles County***

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Reflections from Sponsors and  
Licensed Family Day Care Home  
Providers

December 2010

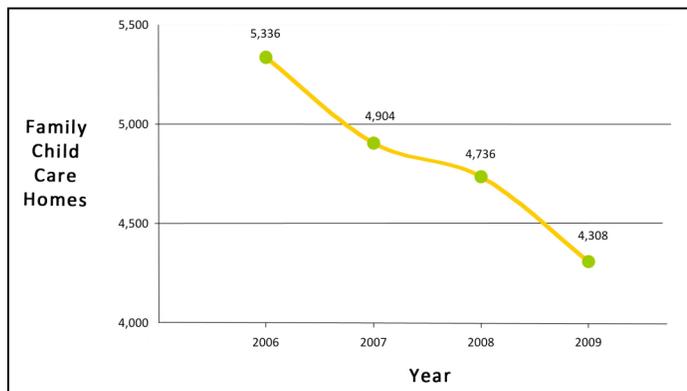
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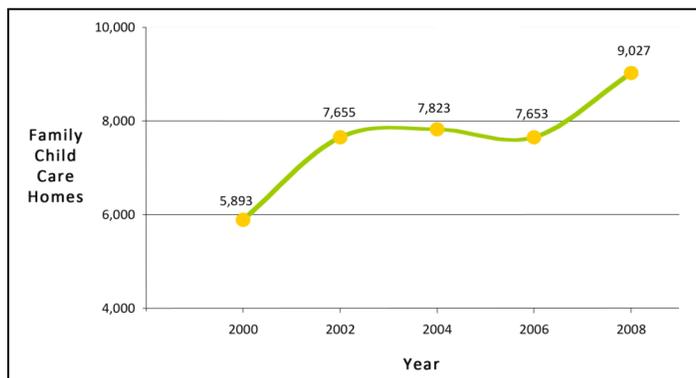
**Background.** In Los Angeles County rates of food insecurity rose between 2005 and 2007 from 27.9% to 36.3% of adults reporting they were not able to afford enough food.<sup>1,2</sup> Low-income individuals are vulnerable to the effects of food insecurity, however, it is important to note that low-income households with families are particularly vulnerable. Food insecurity among children is associated with poor cognitive and neural development and chronic illnesses such as obesity.<sup>3</sup> Child care providers can play an important role in relieving food insecurity.<sup>4</sup> Approximately half of all children under the age of five with employed mothers spend at least 35 hours a week in child care. As such, child care is an important source of adequate and healthy foods for children experiencing or at risk for food insecurity. Sadly, finding accessible, safe, and affordable child care is a major challenge facing parents in Los Angeles County.<sup>5</sup>

To address concerns about food insecurity for United States children, Congress established the Child Care Food Program (now know as the Child and Adult Care Food Program, or CACFP) in 1968. CACFP is an entitlement program, which means that all eligible children must be allowed to participate. This is an important asset of CACFP during the recession, as other resources are limited. Studies have shown the improved quality of care and nutritional benefits for child care programs enrolled in CACFP. Despite the overall increase of licensed family day care home (FDCH) providers – a licensed facility that provides child care in the home of the provider – in Los Angeles County, their participation in CACFP has sharply decreased by 19% in the past three years.<sup>5</sup> For a FDCH provider to enroll in CACFP they must have a sponsor who monitors their record-keeping and distributes their reimbursements. Unfortunately, the number of CACFP sponsors available to Los Angeles County FDCH providers has decreased by 38% over the past three years. Not surprisingly, more than half of all FDCH in Los Angeles County operate without CACFP support.

*Figure 1.*  
**Number of licensed FDCH facilities in L.A. County enrolled in CACFP from 2006 to 2009.** Data source: California Department of Education. Accessed online at <http://www.cde.ca.gov/ds/sh/sn/-homes> (July 2010).



*Figure 2.*  
**Number of licensed FDCH facilities in L.A. County from 2000 to 2008.** Data source: The California Child Care Portfolio, California Child Care Resource and Referral Network. Accessed online at <http://www.rrnetwork.org> (July 2010).

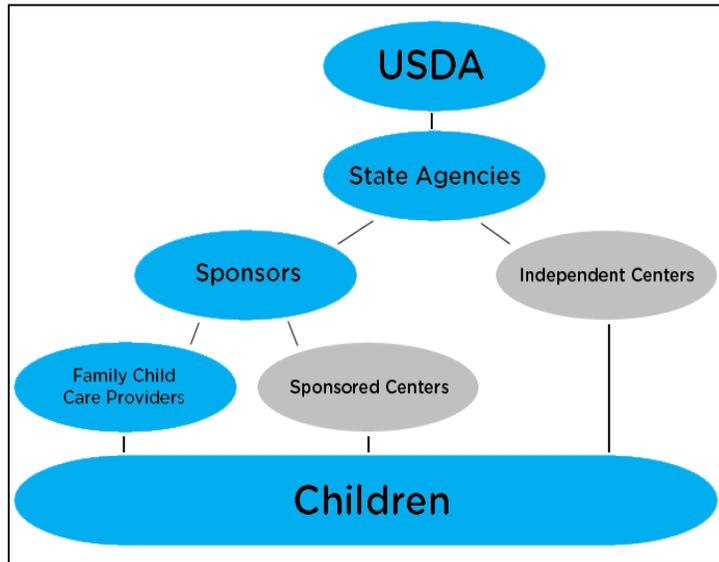


**Problem Statement:** Nearly 5,000 FDCH providers in Los Angeles County (more than half of all FDCH providers in the County) are not using USDA funds for free and reduced-price meals and snacks through CACFP. This results in over 56,000 children missing out on these valuable nutrition resources every day.

**Los Angeles Child Care Landscape.** Nationally, the child care landscape is fragmented and complex; Los Angeles County is no exception. Broadly, child care can be divided into two groups: licensed and unlicensed care. This study chose to look exclusively at licensed family day care homes. A FDCH is a licensed facility that provides child care in the home of the provider.

**Overview of the Child and Adult Care Food Program.**

CACFP operates under the auspice of the USDA. The USDA is charged with dispersing money to state agencies and establishing the rules to which all CACFP participants must follow. In California, the USDA releases federal funds to the California Department of Education (CDE). The CDE grants permission to qualified local non-profit organizations (sponsors) to directly oversee FDCH providers.



Sponsors are local or regional non-profit organizations, sometimes associated with school districts, county government, or United Way agencies. For Los Angeles County, all sponsor are currently private, non-profit organizations that are not affiliated with any school district, county government, or United Way agency. As of February 2010, nearly 35,000 children enrolled in Los Angeles County FDCH participate in CACFP<sup>a</sup> – the overwhelming majority from low-income families.<sup>6</sup>

**Study Methods.** This report aims to identify gaps in CACFP participation among FDCH facilities in Los Angeles County and to gather explanatory data from FDCH providers, local CACFP sponsor organizations, and key stakeholders. Three different populations were sampled and surveyed for this project: CACFP stakeholders (including the Child Care Food Program Roundtable and the California Department of Education’s Nutrition Services Division), Los Angeles County sponsors (both past and present), and Los Angeles County FDCH providers not enrolled in CACFP. Sponsor interview guides were developed based on conversations with stakeholders and with the goal of gathering insight about FDCH participation, explanations for non-participation, and perceived benefits/burdens of being a sponsor. The provider questionnaires aimed to gather information about the provider’s perceptions of CACFP and explanations for leaving or for not participating.

<sup>a</sup> Data derived from: California Department of Education, Child and Adult Care Food Program 2008-09 County Profile, <http://www.cde.ca.gov/ds/sh/sn/documents/coprochild0809.xls>

**Sample Description.** A total of four current and two past sponsors were interviewed for this project. A total of 200 providers were contacted by telephone to be asked to participate in the study. Of these 200 phone calls over half ( $n = 102$ ) never answered or the person who answered spoke a language other than English and Spanish; 16% ( $n = 32$ ) were disconnected or a wrong number; four percent ( $n = 8$ ) declined participation; seven percent ( $n = 14$ ) were no longer child care providers; and 12% ( $n = 24$ ) were currently enrolled in CACFP. Seven percent of FDCH providers ( $n = 13$ ) completed the questionnaire; six had been previously enrolled in CACFP.

**Mapping Gaps in Accessibility.** A countywide map of sponsor coverage was developed using information gathered directly from sponsors (*see Appendix A*). All Los Angeles County sponsors were contacted and asked to identify the areas where they offer CACFP sponsorship and whether they were currently enrolling new providers. This map may provide useful insight to stakeholders and policymakers about FDCH provider participation in CACFP. As seen on the map, there are large gaps in accessibility to CACFP. Most notably, South Los Angeles and parts of the San Fernando Valley do not have access to a sponsor that is accepting new FDCH providers. This is worrisome because these two regions are notoriously under served and low-income communities of Los Angeles County. In particular, a great need for CACFP benefits in South Los Angeles has been identified; this region has a higher-than-average density of children and working parents, which adds to a high prevalence of FDCH providers. The findings from this map argue that inequities and barriers exist, preventing FDCH providers from accessing CACFP and sponsors from accepting new enrollees in specific parts of Los Angeles County.

**Policy Environment.** The Child and Adult Care Food Program was improved in several important ways by the President's signature to enact S.3307, the Healthy, Hunger-Free Kids Act, in December 2010. Two of these changes have already been implemented by memo from USDA. Block claim auditing has been eliminated and area eligibility has already been expanded.

- Requires USDA to revise CACFP meal patterns to align with Dietary Guidelines for Americans, as described in a recent report from the Institute of Medicine.
- Requires that drinking water be readily available and to serve low-fat and non-fat milk to children over the age of two.
- Promotes health and wellness and coordinates nutrition education in CACFP with WIC.
- Parents can return enrollment forms directly to providers and do not need to provide full social security numbers.
- Sponsors can use a simpler method of claiming monthly reimbursements, such as homes multiplied by the reimbursement rate.
- Sponsors do not need to audit providers who claim identical "block" numbers of children served.
- Sponsors can carryover up to 10% of administrative funds into the following year.
- Sponsors can use elementary, middle, and high schools to establish maximum reimbursement.
- Sponsors can establish permanent operating agreements with state agencies.

**Limitations.** The main purpose of this project was to better understand Los Angeles County FDCH provider access to and participation in CACFP. To do this quickly and efficiently,

we chose to obtain a small sample of family day care home providers. The main limitation of a small sample is the inability to generalize the results to the larger population and more in-depth research is needed to verify the results. However, it should be noted that we attempted to gather responses from a variety of providers, including both English and Spanish speaking, and we sampled more than half of the Los Angeles County sponsors. Additionally, the findings were shared with key stakeholders in the child care and CACFP community. Implications and recommendations based on these findings were developed in collaboration with experts in the field to ensure that they were not based solely on the experiences of the small sample of providers interviewed.

## **MAJORS FINDINGS & RECOMMENDATIONS**

### ***Operations***

*Finding: All sponsors interviewed mentioned a heavy workload associated with serious deficiencies, the tiering process, or block claiming; half identified insufficient staff or time to handle this workload as one of their greatest challenges.*

*Finding: Sponsors cited that the financial liability associated with the risk of provider error is too great.*

### ***Recommendations:***

1. CDE and the CCFP Roundtable should develop methods to improve communication with sponsors and increase support, such as renewing CDE's secondary site visits to provide technical assistance to new sponsors. CCFP Roundtable should facilitate development of additional mentoring tools and relationships.
2. CDE and the CCFP Roundtable should identify mechanisms to support every FDCH provider, whether at home or at a communal area, with Internet connectivity and computer hardware to utilize web-based menu tracking software.
3. CDE should convene former FDCH sponsors in Los Angeles County to identify recent changes that might improve the administration of and increase the utilization in CACFP. This meeting would also work to inform former sponsors of the simplifications and improvements recently enacted by S.3307 and their potential eligibility to re-apply for sponsorship.
4. CDE and USDA should work to explore changes in policy, statute, or regulations to confine the liability associated with CACFP within the sponsor's CACFP-specific budget to maintain accountability and set appropriate consequences for fraud without jeopardizing unrelated activities and funds.
5. CDE and USDA should meet to identify whether any audit functions or inquiries are duplicative and might be combined with other state and federal audits performed at these agencies.

## ***Resources***

*Finding: All sponsors who were interviewed for this study identified a need for increased funds to defray the costs incurred by taking on additional providers.*

*Finding: Sponsors identified a need for improved communication and information sharing between sponsoring agencies, the California Department of Education's Nutrition Services Division, and Community Care Licensing divisions.*

*Finding: Sponsors identified a need for a single contact at NSD to improve the timeliness and efficiency of communication.*

*Finding: Sponsors identified needing greater non-financial support from the state.*

### ***Recommendations:***

1. CDE should quickly implement and promote the CACFP changes enacted in S.3307 and accompanying USDA regulations to reduce administrative expenses of CACFP sponsorship. CDE, CFPA and the Child Care Food Program (CCFP) Roundtable should promote these changes and ensure sponsors are fully implementing all options. To better promote CACFP to prospective sponsors, the CCFP Roundtable should collect qualitative evidence from current sponsors to illustrate the fiscal benefits of these simplifications.
2. CDE and USDA should work together to ensure that one-time, start-up and expansion grants for CACFP FDCH sponsors are made available and actively promoted. These funds, which will offset a portion of the initial costs (e.g., training), could incubate new sponsors. Grants could also enable current sponsors to expand and/or absorb providers. CDE, CFPA, and the CCFP Roundtable should explore whether First5 funding or other philanthropic resources might also help subsidize initiation costs for new sponsors.
3. CDE should consider consolidating correspondence for CACFP sponsors into a single point of contact. Integrating the communication between the current program, Child Nutrition Services, and the claims department will streamline the start-up process for new sponsors and strengthen the consistency in correspondence between the current sponsors, applicants and the state.
4. CDE and the CCFP Roundtable should review the CACFP online and print training materials for sponsors to use with new staff and with FDCH providers. These materials may benefit from being updated and should be more frequently promoted to sponsors.
5. CDE and the CCFP Roundtable should work to expand the current orientation and initial training template for CACFP sponsors, centers, and homes to increase knowledge of the program requirements and utilization of innovations.

### ***Program Knowledge***

*Finding: Providers from this study expressed negative attitudes about participating in CACFP and were generally unaware of the extent of financial benefits.*

*Finding: Many providers were unsure of whom to contact about enrolling in CACFP.*

*Finding: Some providers reported erroneous information about the program, which included inaccurate perceptions of eligibility requirements.*

*Finding: Sponsors were nervous about or unwilling to accept new providers based on biased information about providers operating in certain areas in Los Angeles County.*

**Recommendations:**

1. CDE, CFPA, and the CCFP Roundtable should develop materials, such as brochures and informational packets, to promote the financial and nutritional benefits of CACFP.
2. NSD should establish and market a toll-free phone number and email address that providers can contact to obtain essential information about CACFP, including sponsor referral. A departmental policy should be established to ensure that responses to inquiring providers occur within two-working days.
3. CDE should work with child care stakeholder organizations, such as the Community Care Licensing Division, County Department of Public Social Services, and County Office of Child Care to establish a clear protocol for disseminating CACFP information to FDCH providers.
4. CDE and the CCFP Roundtable should partner with the California Resource and Referral Network to expand the network's knowledge about CACFP and ensure adequate and standardized dissemination of CACFP information to FDCH providers.
5. CFPA should conduct outreach to potential sponsors to serve FDCH providers in Los Angeles County, in particular the South Los Angeles region. CFPA, CDE, and CCFP Roundtable should convene a meeting of large social service providers and elected officials in Los Angeles County in 2011 to resolve the sponsor and participation gap. Attendees ought to include, at a minimum, United Way of Greater Los Angeles, Los Angeles County Office of Education, First5 LA, Commission for Children and Families, and the Los Angeles Unified School District.
6. CDE should employ communication strategies to minimize any confusion about the reliability of FDCH providers. This may include disseminating a list to sponsors of providers in good standing or other methods for communicating with sponsors who are considering taking on a formerly participating FDCH provider. These actions will increase transparency and allow sponsors to accurately estimate risk of assuming sponsorship for formerly participating providers.



## **REFERENCES**

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