



Georgia Department of Early Care and Learning

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Governor

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MEMORANDUM

To: All Institutions Participating in or Applying to the CACFP

From: Falita S. Flowers, Nutrition Services Director

Date: July 18, 2014

Subject: Pricing Programs Written Policy Statement Requirements

Legal Authority: 7 C.F.R. 226.2, 226.23(c), 226.23(h)(2)

All Child and Adult Care Food Program (CACFP) participants have two optional systems for charging for CACFP meals, both of which are tied to the Program's free and reduced price meal policy. These systems are "non-pricing" and "pricing" programs. In accordance with federal regulations, institutions must have a written policy statement explaining eligibility for free or reduced price meals and the policy must be uniformly implemented. In fulfilling this responsibility, the institution may choose the type of policy statement concerning free or reduced price meals. This memorandum describes the requirements for a "pricing program."

A pricing program refers to an institution that charges separately for meals or milk, assures Bright from the Start that the institution will serve free or reduced price meals to any child/adult enrolled at the institution whose household's income falls within the income eligibility standards, and that there will be no discrimination against any child/adult in the course of the meal service because of race, color, sex, age, national origin, disability.

When an institution classifies itself as a pricing program, households may only be charged for the number of meals that are actually served to the enrolled participant. This means the center must not charge a household for any meals the participant was not present to receive. Therefore, the pricing institution must have a system in place to count, record, and charge the household for only those meals that are actually served to the enrolled participant. Additionally programs may not charge some participants a separate fee but charge others in the facility a separate fee. For example, many organizations that have the Georgia Pre-K program are allowed by Pre-K guidelines to charge the Pre-K students a separate charge for meals. However, if the organization participates in the CACFP, the organization cannot treat and charge differently for different groups within the organization. The center must choose to be either a pricing or non-pricing program and apply this system across the entire organization.

All institutions applying for participation in the CACFP must submit a policy statement to Bright from the Start for approval. A free and reduced-price policy statement for a pricing program must contain;

1. the specific criteria used in determining eligibility for free and reduced-price meals (these standards must conform to the current year's Income Eligibility Guidelines);
2. an assurance that there is no discrimination in the operation of the food service;
3. a description of the method(s) used in accepting applications from families for free and reduced-price meals. These methods must ensure that applications are accepted from households on behalf of children who are members of:
 - a) TANF assistance units;
 - b) Food FDPIR or food stamp households; or
 - c) Adult participants, who are members of:
 - d) Food stamp or FDPIR households; or
 - e) SSI or Medicaid assistance units.
4. a description of the method(s) used to collect payments from those participants paying the full or reduced-price of the meal which will protect these participants from identification. The description must specifically state the method for recording which participants received a meal and how households will be charged;
5. an assurance that there will be no overt identification of free and reduced-price meal recipients and no discrimination against any participant on the basis of race, color, national origin, sex, age or disability;
6. an assurance that the charge for a reduced-price lunch or supper will not exceed 40¢, that the charge for a reduced-price breakfast will not exceed 30¢, and that the charge for a reduced-price snack will not exceed 15¢; and
7. an assurance that the institutions will establish a hearing procedure for use when benefits are denied or terminated as a result of verification. The hearing procedures must include:
 - a) a simple, publicly announced method for a family to make an oral or written request for a hearing;
 - b) an opportunity for the family to be assisted or represented by an attorney or other person in presenting its appeal;
 - c) an opportunity for the family to examine, prior to and during the hearing, the documents and records presented to support the decision under appeal;
 - d) that the hearing shall be held with reasonable promptness and convenience to the family, and that adequate notice shall be given to the family as to the time and place of the hearing;
 - e) an opportunity for the family to present oral or documentary evidence and arguments supporting its position;
 - f) an opportunity for the family to question or refute any testimony or other evidence and to confront and cross-examine any adverse witnesses;
 - g) that the hearing shall be conducted and the determination made by a hearing official who did not participate in making the initial decision that the determination of the hearing

official shall be based on the oral and documentary evidence presented at the hearing and made a part of that hearing record;

- h) that the family and any designated representatives shall be notified in writing of the decision of the hearing official;
- i) that a written record shall be prepared with respect to each hearing, which shall include the decision under appeal, any documentary evidence and a summary of any oral testimony presented at the hearing, the decision of the hearing official, including the reasons therefore, and a copy of the notification to the family of the decision of the hearing official; and
- j) that such written record of each hearing shall be preserved for a period of three years and shall be available for examination by the family or its representatives at any reasonable time and place during such period.

Institutions are required to maintain copies of its pricing program policy statement which shall be available for review upon Bright from the Start's request.

For questions regarding this policy memo, please contact Sonja Adams, Policy Administrator at (404) 651-8193.