

DEPARTMENT OF AGRICULTURE 33 West State Street 4th Floor PO Box 334 TRENTON NJ 08625-0334

JON S. CORZINE

Governor

DOUGLAS H. FISHER Secretary

TO:

Family Day Care Sponsoring Organizations

FROM:

Tanya DW Johnson, Coordinator & Child and Adult Care Food Programs

DATE:

July 2009

SUBJECT:

MEMO #10-02 - RATES OF REIMBURSEMENT (7/1/09 to 6/30/10)

The annual adjustments to the nation average payment rates for meals served in day care homes and the administrative reimbursement rates for sponsors of day care homes have been published by the United States Department of Agriculture (USDA).

These rates of reimbursement are effective July 1, 2009 through June 30, 2010 for the Family Day Care Food Program. Rates are adjusted for inflation and rounded down to the lower whole cent for all meals served in both Tier I and Tier II day care homes.

You can also view the rates notice from the United States Department of Agriculture (USDA) web site at http://www.fns.usda.gov/cnd/Care/ProgramBasics/Rates/ReimbursementRates Current.htm.

<u>NOTE</u>: For the first time in the recorded history of the CACFP, rates of reimbursement for sponsor administrative expense reimbursement have declined. Therefore, we strongly recommend that all sponsoring organizations complete a re-assessment of their current and projected actual administrative costs versus projected homes times rates earnings for the current fiscal year. This re-assessment should take into account the decrease in administrative reimbursement rates for the final three months (July, August, and September) of the 2009 fiscal year. This may require that you modify the planned expenditures for the remainder of this fiscal year.

Provider Payments for Meals Served in Day Care Homes

| | <u>Tier I</u> | Tier II |
|------------------|---------------|---------|
| <u>Breakfast</u> | \$1.19 | \$0.44 |
| Lunch/Dinner | \$2.21 | \$1.33 |
| Supplement | \$0.66 | \$0.18 |

Administrative Payments for Sponsoring Organizations of Day Care Homes

| Initial 1 – 50 Homes | \$100.00 |
|-------------------------------------|----------|
| Next 150 Homes (51 to 200) | \$ 76.00 |
| Next 800 Homes (201 to 1,000) | \$ 60.00 |
| All additional Homes 1,001 and over | \$ 52.00 |

Should you have any questions, please contact the state agency at (609) 292-4498. Your continued cooperation and assistance is appreciated.