



Billing Code: 3410-30-P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Child and Adult Care Food Program: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes for the Period July 1, 2014 through June 30, 2015

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the annual adjustments to the national average payment rates for meals and snacks served in child care centers, outside-school-hours care centers, at-risk afterschool care centers, and adult day care centers; the food service payment rates for meals and snacks served in day care homes; and the administrative reimbursement rates for sponsoring organizations of day care homes, to reflect changes in the Consumer Price Index. Further adjustments are made to these rates to reflect the higher costs of providing meals in the States of Alaska and Hawaii. The adjustments contained in this notice are made on an annual basis each July, as required by the laws and regulations governing the Child and Adult Care Food Program.

DATES: These rates are effective from July 1, 2014 through June 30, 2015.

FOR FURTHER INFORMATION CONTACT: Tina Namian, Branch Chief, Policy and Program Development Division, Child Nutrition Programs, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 1206, Alexandria, Virginia 22302-1594, 703-305-2590.

SUPPLEMENTARY INFORMATION:

Definitions

The terms used in this notice have the meanings ascribed to them in the Child and Adult Care Food Program regulations, 7 CFR part 226.

Background

Pursuant to sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753, 1759a and 1766), section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), and 7 CFR 226.4, 226.12 and 226.13 of the Program regulations, notice is hereby given of the new payment rates for institutions participating in the Child and Adult Care Food Program (CACFP). These rates are in effect during the period, July 1, 2014 through June 30, 2015.

As provided for under the law, all rates in the CACFP must be revised annually, on July 1, to reflect changes in the Consumer Price Index (CPI), published by the Bureau of Labor Statistics of the United States Department of Labor, for the most recent 12-month period. In accordance with this mandate, the United States Department of Agriculture (USDA) last published the adjusted national average payment rates for centers, the food service payment rates for day care

homes, and the administrative reimbursement rates for sponsoring organizations of day care homes, for the period from July 1, 2013 through June 30, 2014, on July 26, 2013, in the *Federal Register* at 78 FR 45176.

Adjusted Payments

The following national average payment factors and food service payment rates for meals and snacks are in effect from July 1, 2014 through June 30, 2015. All amounts are expressed in dollars or fractions thereof. Due to a higher cost of living, the reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico, and Guam use the figures specified for the contiguous States. These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each lunch or supper served to participants under the Program. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the *Federal Register*.

National Average Payment Rates for Centers

Payments for breakfast served are: Contiguous States - paid rate – 28 cents, reduced price rate – 132 cents, free rate – 162 cents; Alaska – paid rate – 42 cents, reduced price rate – 229 cents, free rate – 259 cents; Hawaii - paid rate – 32 cents, reduced price rate – 158 cents, free rate – 188 cents.

Payments for lunch or supper served are: Contiguous States - paid rate – 28 cents, reduced price rate – 258 cents, free rate – 298 cents; Alaska - paid rate – 46 cents, reduced price rate – 444

cents, free rate – 484 cents; Hawaii - paid rate – 33 cents, reduced price rate – 309 cents, free rate – 349 cents.

Payments for snack served are: Contiguous States – paid rate – 7 cents, reduced price rate – 41 cents, free rate – 82 cents; Alaska – paid rate – 12 cents, reduced price rate – 66 cents, free rate – 133 cents; Hawaii – paid rate – 8 cents, reduced price rate – 48 cents, free rate – 96 cents.

Food Service Payment Rates for Day Care Homes

Payments for breakfast served are: Contiguous States – tier I – 131 cents and tier II – 48 cents; Alaska – tier I – 209 cents and tier II – 74 cents; Hawaii – tier I – 153 cents and tier II - 55 cents.

Payments for lunch or supper served are: Contiguous States – tier I – 247 cents and tier II – 149 cents; Alaska – tier I – 400 cents and tier II – 241 cents; Hawaii – tier I – 288 cents and tier II – 174 cents.

Payments for snack served are: Contiguous States – tier I – 73 cents and tier II – 20 cents; Alaska – tier I – 119 cents and tier II – 33 cents; Hawaii – tier I – 86 cents and tier II – 23 cents.

Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes

Monthly administrative payments to sponsors for each sponsored day care home are:

Contiguous States – initial 50 homes – 111 dollars, next 150 homes – 85 dollars, next 800 homes – 66 dollars, each additional home – 58 dollars; Alaska – initial 50 homes – 180 dollars, next 150 homes – 137 dollars, next 800 homes – 107 dollars, each additional home – 94 dollars; Hawaii –

initial 50 homes – 130 dollars, next 150 homes – 99 dollars, next 800 homes – 77 dollars, each additional home – 68 dollars.

Payment Chart

The following chart illustrates the national average payment factors and food service payment rates for meals and snacks in effect from July 1, 2014 through June 30, 2015.

CHILD AND ADULT CARE FOOD PROGRAM (CACFP)

Per Meal Rates in Whole or Fractions of U.S. Dollars

Effective from July 1, 2014 - June 30, 2015

CENTERS		BREAKFAST	LUNCH AND SUPPER ¹	SNACK		
CONTIGUOUS STATES	PAID	0.28	0.28	0.07		
	REDUCED PRICE	1.32	2.58	0.41		
	FREE	1.62	2.98	0.82		
ALASKA	PAID	0.42	0.46	0.12		
	REDUCED PRICE	2.29	4.44	0.66		
	FREE	2.59	4.84	1.33		
HAWAII	PAID	0.32	0.33	0.08		
	REDUCED PRICE	1.58	3.09	0.48		
	FREE	1.88	3.49	0.96		
DAY CARE HOMES	BREAKFAST		LUNCH AND SUPPER		SNACK	
	TIER I	TIER II	TIER I	TIER II	TIER I	TIER II
CONTIGUOUS STATES	1.31	0.48	2.47	1.49	0.73	0.20
ALASKA	2.09	0.74	4.00	2.41	1.19	0.33
HAWAII	1.53	0.55	2.88	1.74	0.86	0.23
ADMINISTRATIVE REIMBURSEMENT RATES FOR SPONSORING ORGANIZATIONS OF DAY CARE HOMES <i>Per Home/Per Month Rates in U.S. Dollars</i>		INITIAL 50	NEXT 150	NEXT 800	EACH ADDL	
CONTIGUOUS STATES		111	85	66	58	
ALASKA		180	137	107	94	
HAWAII		130	99	77	68	

¹These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each CACFP lunch or supper served to participants. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the *Federal Register*.

The changes in the national average payment rates for centers reflect a 2.19 percent increase during the 12-month period, May 2013 to May 2014, (from 242.642 in May 2013, as previously published in the *Federal Register*, to 247.952 in May 2014) in the food away from home series of the CPI for All Urban Consumers.

The changes in the food service payment rates for day care homes reflect a 2.66 percent increase during the 12-month period, May 2013 to May 2014, (from 233.302 in May 2013, as previously published in the *Federal Register*, to 239.504 in May 2014) in the food at home series of the CPI for All Urban Consumers.

The changes in the administrative reimbursement rates for sponsoring organizations of day care homes reflect a 2.13 percent increase during the 12-month period, May 2013 to May 2014, (from 232.945 in May 2013, as previously published in the *Federal Register*, to 237.900 in May 2014) in the series for all items of the CPI for All Urban Consumers.

The total amount of payments available to each State agency for distribution to institutions participating in CACFP is based on the rates contained in this notice.

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

CACFP is listed in the Catalog of Federal Domestic Assistance under No. 10.558 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, Subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice has been determined to be not significant and was reviewed by the Office of Management and Budget (OMB) in conformance with Executive Order 12866. This notice imposes no new reporting or recordkeeping provisions that are subject to OMB review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3518).

AUTHORITY: Sections 4(b)(2), 11a, 17(c) and 17(f)(3)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753(b)(2), 1759a, 1766(f)(3)(B)) and section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)).

_____ Dated: July 9, 2014.

Audrey Rowe,
Administrator,
Food and Nutrition Service.

[FR Doc. 2014-16718 Filed 07/15/2014 at 8:45 am; Publication Date: 07/16/2014]