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Senate Education
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Good afternoon to the committee, and thank you Mr Chair for having me today. My name is Autumn Moen and I am the Legislative Policy Lead at Hunger Free Vermont. Today I am going to briefly cover our request for funding for the Child and Adult Care Food Program Sponsor Organizations.

Our request is that \$182,000 be appropriated in the Agency of Education, Child Nutrition budget for FY26 to be distributed among the Sponsor Organizations of the Child and Adult Care Food Program (CACFP) as an incentive to participate as a sponsor of the CACFP for Family Child Care Home providers. This small appropriation will mean that more Family Child Care Home Providers will be able to draw down federal funding to provide meals and snacks to children in their care. How? Let's get into a brief overview of this program and how it works...

So what is the CACFP? The CACFP is the federal child nutrition program that early childhood education programs can participate in to receive cash reimbursement for eligible meals and snacks served to the children in their care. The Agency of Education administers the CACFP on the state level. This program is important because the CACFP is the most *equitable* way for all children in child care and early childhood education settings to access developmentally appropriate nutrition in order to be set up to be able to access learning alongside their peers. Without this program, families provide their own meals and snacks for the kids to take, leaving inequities in nutrition; some kids may get whole fruits and veggies, whole grains, and other foods that foster healthy development and learning, while other kids get processed, sugary snacks like poptarts, because the high costs of food leaves low income families with less choice. The CACFP evens the playing field by providing a path for providers to be reimbursed for eligible meals and snacks.

As you probably noticed before, our request is for funding to go to the "Sponsor Organizations" of the CACFP – so what are Sponsor Organizations and how does funding for this program work? Under this program, the Sponsoring Organizations act as a 'fiscal intermediary' for funds between the state agency and the sponsored family child care homes. Sponsoring Organizations are responsible for providing support to meal program personnel, monitoring meal program operations, conducting meal program reviews as required by federal program regulations, acting as "fiscal intermediary" for food service funds between the state agency and sponsored family child care programs.

Why is this funding so critical? Under federal program guidelines, a Family Child Care Home (FCCH) can only participate in the CACFP under an agreement with an eligible sponsoring organization. As of April 2025, there are only 3 remaining sponsoring organizations covering all 203 FCCH providers participating in the CACFP across the state of Vermont:

- BROOC Community Action
- Capstone Community Action
- The Winston Prouty Center for Child Development

In 2024 we lost a sponsoring organization because the federal funding allotted for sponsors did not cover the cost of their responsibilities. On top of administrative funding challenges, now the organizations are struggling to manage capacity as they have to physically cover larger portions of the state - sponsors must visit participating FCCH programs several times a year as per the federal guidelines of the child nutrition program, making this capacity challenge even more difficult. At this time, the administrative payments that CACFP sponsoring organizations receive do not adequately cover the cost of being a sponsoring organization.

The current gaps in funding has direct impacts on children's access to nutrition in child care spaces. As of January of 2024, only 203 of 400 (or just over 50%) FCCHs in Vermont were participating in the CACFP. Barriers to participation in the CACFP extend beyond the identified lack of sponsor capacity, however without a sponsor organization FCCHs are unable to participate in the CACFP in the first place. With a small state investment of \$182,000, sponsoring organizations will have increased capacity to support onboarding new FCCHs into the CACFP while also maintaining the current level of participation. Investing in the critical role of sponsoring organizations incentivises additional organizations to take on this role, which would further increase the capacity of each individual sponsoring organization.

Some of you may be very familiar with the concept of a virtuous cycle, and it applies here because the more support for administration that the sponsoring organizations get from the state, the more family child care home providers they can sponsor. With more providers participating in the program, the more federal funds are drawn down. This would open doors for even more sponsoring organizations to participate, and so on.

I just wanted to end by showing our request once more, and sharing a few words from the very people who actually participate as sponsoring organizations of the CACFP:

In her testimony to House Appropriations earlier this year, Pat from Capstone Community Action talked about how there were 7 sponsoring organizations of this program when she first started at Capstone and now there are just 3. When the 4th one opted out of the program, leaving Capstone to cover Grand Isle and Franklin Counties, she said "when asked if I would take over the new area my first thought was why I would consider doing that because we cannot afford the financial burden. What changed my mind was when I realized that there was no one else and how important this program is."

Last week, when talking about our request with Pat, she said "I'm not sure what will happen without the help of more funding."

Amy from BROCC Community Action shared that "with food insecurity at an all-time high, the meals and snacks provided by the CACFP are more important than ever. The impact of losing this program can not be overstated." She also shared that they are facing massive funding shortfalls that will likely cause them to no longer be able to sponsor the CACFP without the State funding we are asking for.

I hope this paints a picture of this small but mighty program and what a small appropriation could do for bringing equitable nutrition to kiddos in child care programs across the state, filling their bellies and fueling their development to learn, play, and grow here in Vermont.