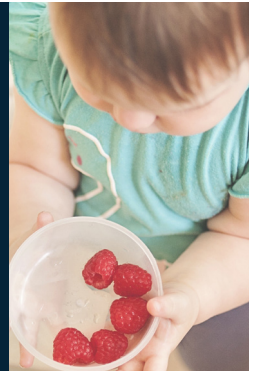


Please provide funding to allow more Family Child Care Home Programs to provide meals and snacks to children.



WE ARE ASKING FOR AN APPROPRIATION OF \$182,000 TO THE AGENCY OF EDUCATION IN FISCAL YEAR 2026 to be distributed among the Vermont Child and Adult Care Food Program (CACFP) sponsor organizations as an incentive to participate as a sponsor of the CACFP for Family Child Care Home programs. This small appropriation will mean that more Family Child Care Home programs will be able to draw down federal funding to provide meals and snacks to children in their care.

What is the CACFP?

The CACFP is the child nutrition program that early childhood education programs can participate in to receive cash reimbursement for eligible meals and snacks served to their students. 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.

How does funding for the CACFP and CACFP sponsoring organizations work?

Under the CACFP, the sponsoring organization is responsible for a number of responsibilities, including acting as 'fiscal intermediary' for funds between the state agency and the sponsored family child care homes.

The sponsoring organization receives payment under the CACFP for the meals, which must be paid over to sponsored family child care home programs, as well as administrative payments and one-time start-up payments. At this time, the administrative payments that CACFP sponsoring organizations receive do not adequately cover the cost of being a sponsoring organization.

Why is funding for CACFP sponsoring organizations 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 December 2024, there are only 3 sponsoring organizations covering all 203 FCCH programs participating in the CACFP across the state of Vermont:

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

In 2024 we lost 2 sponsoring organizations 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.

How is the current gap in funding affecting **children's access to nutrition in child care?**

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 sponsoring organizations will have increased capacity to support onboarding new FCCHs into the CACFP while also maintaining the current level of participation and making it possible for more CACFP sponsor organizations to come onboard.

How would the funding work in future years?

Each year, The Vermont Agency of Education (AOE) would report to the House and Senate Appropriations Committees the amount needed for the following fiscal year, based on the number of Family Child Care Home programs served in the current fiscal year, and any expected increase in participation in the next fiscal year.

AOE would also recommend an inflationary increase in the base amount/program based on the % change in the consumer price index for food away from home from May to May each year.

