Purpose
This instruction clarifies USDA policy with regard to those situations in which States or local
governments exempt school-operated child care programs from licensing.

Scope
Sponsors and facilities participating in the Child and Adult Care Food Program.

Description
The State of Indiana has chosen to exempt schools that operate childcare programs from
childcare licensing in the belief that a school’s “license” to operate as a school is sufficient to
cover their child care operations as well. USDA believes that this is a legitimate reason for
exempting schools from childcare licensing. Therefore, for the purpose of the CACFP, it is not
necessary for a school to be licensed as a childcare facility if it is exempted from such licensing
by State and /or local authorities.

This policy pertains only to the childcare facilities that are under the direct legal and operational
control of a school board, school district, or individual school. It does not apply to a childcare
facility which may be within a school building or located on school grounds but for which the
school, school district, or school board has no legal or operational responsibility.

Sources
Policy Memorandum 4, FY 1991, United States Department of Agriculture, Food and Nutrition
Service.