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NEW YORK STATE
OFFICE OF CHILDREN & FAMILY SERVICES
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John A. Johnson
Commissioner

Local Commissioners Memorandum

Transmittal:	06 OCFS LCM-04
To:	Local District Commissioners
Issuing Division/Office:	Development and Prevention Services Administration
Date:	May 12, 2006
Subject:	New York State Child Care Block Grant (NYSCCBG) Subsidy Program Allocations State Fiscal Year 2006-2007
Suggested Distribution:	Accounting Supervisors Directors of Social Services
Contact Person(s):	Eileen Mahoney (518) 473-0711: E-mail Address EILEENBECS.MAHONEY@dfa.state.ny.us
Attachments:	A: New York State Child Care Block Grant Allocations B: Maintenance of Effort Level
Attachment Available On – Line:	Yes

I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to inform social services districts of their allocations and maintenance of effort (MOE) levels for the New York State Child Care Block Grant (NYSCCBG) subsidy program for the period April 1, 2006 through March 31, 2007, and to explain the allowable uses for these federal and State funds. The NYSCCBG allocation to districts for the period April 1, 2006 through March 31, 2007, State fiscal year (SFY) 2006-07, is \$352,820,629. Districts should note that these allocations are identical to the preliminary allocations shared with districts in a letter from Deputy Commissioner Susan A. Costello dated February 22, 2006. This LCM also reinforces the importance of evaluating the district's overall child care subsidy needs in determining transfer levels from the Temporary Assistance for Needy Families (TANF) Block Grant to the Child Care and Development Fund (CCDF) included in the New York State Child Care Block Grant (NYSCCBG).

In order to participate in the NYSCCBG subsidy program, the commissioner of the social services district must agree to comply with the program requirements of the NYSCCBG as set forth in Title 5-C of Article 6 of the Social Service Law and 18 NYCRR Part 415. Social services districts provide such legal assurances as part of the submittal of their Annual Plan Update to the Consolidated Services Plan

or Integrated County Plan.

II. Program Implications

ALLOCATION INFORMATION

Attachment A indicates district allocations of NYSCCBG subsidy funds for the period beginning April 1, 2006 and ending March 31, 2007. Allocations are listed on Attachment A for two six-month periods to allow for the reporting of federal funds on a federal fiscal year basis. The allocations cover the period April 1, 2006 to September 30, 2006, the last half of federal fiscal year 2005-06, and the period October 1, 2006 to March 31, 2007, the first half of federal fiscal year 2006-07. Local social services districts were issued their NYSCCBG allocations for the first half of the federal fiscal year 2005-06, October 1, 2005 through March 31, 2006, on May 25, 2005 in 05 OCFS LCM-07. Any unspent NYSCCBG funds for the period October 1, 2005 to March 31, 2006 will be carried into, and be available for, the period ending September 30, 2006. Any portion of a district's NYSCCBG allocation for the period October 1, 2005 through September 30, 2006, including any TANF funds transferred from a district's combined TANF allocation, as described below, for the period April 1, 2006 to September 30, 2006, that is not claimed by the district by March 31, 2007 will be available to the district through the end of federal fiscal year 2006-07, which is September 30, 2007. Claims for the period October 1, 2005 through September 30, 2006 cannot be rolled forward into the next federal fiscal year.

These NYSCCBG allocations are based on each social services district's share of the total NYSCCBG available for SFY 2005-06 in 05-OCFS LCM-07. For example, if your county's allocation of the total funds available in 05-OCFS LCM-07 was 1.25 percent, your county's allocation from the \$350,820,629 available for SFY 2006-07 is also 1.25 percent, or \$4,410,258. The allocation methodology in SFY 2005-06 was based on all of the legislatively required factors, thus the SFY 2006-07 allocations remain consistent with legislative direction. You are encouraged to review 05-OCFS-LCM-07 for greater detail on the SFY 2005-06 allocation methodology.

As you already know, this allocation is only part of the resources available to you in meeting child care subsidy needs for low income families and those individuals on public assistance. On May 4, 2006, districts were notified of their combined share of the Flexible Fund for Family Services (FFFS) at a statewide level of \$1.025 billion and TANF reappropriation for the New York Works Compliance Fund, for an additional \$16 million statewide, for a combined total of \$1.041 billion of 100 percent TANF funding for SFY 2006-07 (hereinafter "combined TANF allocations"). In prior years, a separate appropriation was made for TANF transfer to child care. In SFY 2006-07, that separate appropriation no longer exists. Instead, these combined TANF allocations provide districts with the flexibility to determine local funding priorities, including the level of TANF needed for child care. Consistent with Federal rules, a statewide total of 30 percent of the State's total TANF funds may be transferred to the CCDF and/or to the Title XX Social Services Block Grant, with an upward statewide limit of 10 percent for the Title XX transfer. Absolute transfer limits against each county's allocation cannot be defined because the Federal limits apply to the \$2.4 billion total annual TANF grant. However, we can assure each district that within your total combined TANF allocation, proposed transfer amounts of up to 23 percent for Title XX, and up to 70 percent in the combined value for Title XX and child care would be acceptable. Any TANF funding your district chooses to use for child care must be transferred to the NYSCCBG and not claimed as a direct charge to TANF funding. In addition, local share requirements

for child care subsidies paid on behalf of public assistance recipients and the local maintenance of effort are unchanged.

Each social services district may expend no more than five percent of its NYSCCBG allocation, including any funds transferred from a district's combined TANF allocation, for administrative activities. Administrative activities **do not** include the costs of providing direct services such as eligibility determinations and re-determinations; preparation and participation in judicial hearings; child care placements; the recruitment, licensing, inspection, review and supervision of child care placements; rate setting; resource and referral services; training; and the establishment and maintenance of computerized child care information systems.

A district, at its option, may make payments for eligible families for transportation to and from a child care provider. A district will be reimbursed for transportation expenses charged by a child care provider that are separate and apart from the regular rate charged by the provider. Also, the district may make arrangements using other providers of transportation services. Expenditures for transportation are reimbursed as a program cost under the district's NYSCCBG allocation if the provision of transportation services is included in the district's Consolidated Services Plan or Integrated County Plan.

ELIGIBLE FAMILIES

There are three broad categories of families eligible for child care services under the NYSCCBG when such care is not otherwise available from the caretaker(s) of the child in need of services. Eligible families are defined in 18 NYCRR 415.2. Each social services district is required to include this information in its Consolidated Services Plan or Integrated County Plan, including those families that the district has chosen to serve and prioritize under categories two and three given below.

The first category is families that are eligible for a child care guarantee.

The second category is families that are eligible if funds are available. This category includes such families as low income working families and teen parents who are completing high school.

The third category is families that are eligible if funds are available and if the district includes them as eligible families in the child care section of the Consolidated Services Plan or Integrated County Plan.

PARENTAL CHOICE

Social services districts must inform parents or caretakers requesting NYSCCBG services that they may:

a) choose to have care provided by one of the child day care providers with whom the social services district has contracted for the provision of child care services; or

b) request a child care certificate which enables the parents or caretakers to select from a full range of child care arrangements including care by regulated child care providers and providers of legally-exempt child care.

Parents or the child's caretakers must be given discretion in selecting or arranging for the purchase of

child care services from any eligible provider. The case record should document that parents or caretakers have been apprised of the full range of providers eligible for payment and of their right to elect to use a child care certificate. Social services districts must allow parents to select, and must have a method to pay, any and all legal providers with whom they do not contract. A contract may not be made a condition of receiving payment from NYSCCBG funds.

REIMBURSEMENT

Claims for expenditures for child care services for families receiving public assistance will be reimbursed at 75 percent with NYSCCBG funds up to the district's NYSCCBG allocation. Claims for expenditures for child care services for all other eligible families will be reimbursed at 100 percent NYSCCBG funds, as long as the district's maintenance of effort (MOE) is met, up to the district's NYSCCBG allocation.

MAINTENANCE OF EFFORT

Social services districts must maintain local spending for child care services at a level established by the Office of Children and Family Services in accordance with State statute. The MOE for each social services district is listed in Attachment B. Note that the MOE has not changed from the previous year.

The MOE was calculated by totaling the local district share of expenditures in federal fiscal year 1994-1995 for child care services claimed under the following categories: State Low Income Day Care program and administrative costs, Transitional Child Care, At-Risk Low Income Child Care, Child Care and Development Block Grant, Emergency Assistance to Families, JOBS-related child care and employment-related child care. In addition, the MOE for those social services districts participating in the Child Assistance Program (CAP) was adjusted to reflect the district share for federal fiscal year 1996-1997 CAP child care expenditures included in their NYSCCBG allocation.

Each social services district must meet its MOE level in cash in federal fiscal year 2005-06 and in each subsequent federal fiscal year. The MOE is met by the 25 percent local share of claims for expenditures for public assistance recipients as reported on Schedule H and any other non-Title XX expenditures that are allowable but not reimbursed under the district's NYSCCBG allocation. Claims submitted under NYSCCBG will be processed to ensure that the district's MOE requirement is met. Claims for administrative costs exceeding the five percent administrative cap will not count toward meeting the MOE and will not be eligible for federal and State reimbursement.

SYSTEMS INFORMATION

Procedures for the authorization of payment for child care services in the Welfare Management System (WMS) are as follows:

For child care payments for eligible families applying for or receiving public assistance, districts can continue to use the DSS-3209 IM/WMS Authorization. Districts may, at their option, utilize the DSS-2970 WMS Services Authorization to authorize payment for child care for public assistance families. Service Type Suffix Code (Data Element #23021) value "S" designates child care services funded under

the NYSCCBG for public assistance applicants/recipients and reimbursed at 75 percent federal and State share up to the district's allocation ceiling.

Districts have the option to authorize payments for child care for NYSCCBG eligible families not in receipt of public assistance on the DSS-3209 for Food Stamps and Medical Assistance only cases.

For all other eligible families, districts must authorize payment in WMS/Services by using Service Type Suffix Code value "R" on the DSS-2970 WMS Services Authorization, which designates child care services funded under NYSCCBG for non-public assistance families and reimbursed at 100 percent federal and State share up to the district's allocation ceiling.

In circumstances of an adult only public assistance case in which the children are not included in the public assistance filing unit, child care payment is authorized as a public assistance family and reimbursed at 75 percent federal and State share. For cases in which children are in receipt of public assistance but the caretaker is not included in the public assistance filing unit, child care is authorized in WMS Services and reimbursed at 100 percent federal and State share up to the district's allocation ceiling.

WMS Services continues to support monitoring the issuance and return of child care certificates. Instructions for the child care certificate are included in 92 LCM-138 and in the BICS Operations Manual, page A-82, BICS Production Request 32, in the edition dated April 1, 1993. Information is also provided in the BICS Services Payment Processing Manual, Chapter 2 Authorizations, Pages 2-25 Self Selected Day Care Certificates.

CLAIMING INSTRUCTIONS

NYSCCBG expenditures for child care subsidies for families receiving public assistance are claimed on Schedule H Non-Title XX Services for Recipients (LDSS-4283), line 2 (Day Care Services for Children), column 11 (Day Care Block Grant 75 percent). NYSCCBG program expenditures for child care subsidies for all other eligible families are claimed on the Schedule H, line 2, column 10 (Day Care Block Grant 100 percent). Please refer to the Fiscal Reference Manual, Volume 2, Chapter 3 for detailed instructions for completing the Schedule H.

NYSCCBG child counts and expenditures also must be reported on the Schedule G-2 Summary of Payments for Day Care (LDSS-2109EL). Expenditures made under the services types allowed must be reported on the Schedule G-2, via the Automated Claiming System. The BICS Schedule G-2 report provides the information needed to file the report. Please refer to the Fiscal Reference Manual, Volume 2, Chapter 3 for Schedule G-2 instructions.

Administrative expenditures for the NYSCCBG are claimed in accordance with the Services RMS as Child Care Block Grant costs on line 5, section 1 (associated A-87 costs are claimed on line 3, section 2) of the Schedule D-2, Allocation for Claiming of General Services Expenditures (LDSS-2347B). Instructions for completing the Schedule D-2 are contained in Chapter 9 of Volume 3 of the Fiscal Reference Manual County Cost Allocation Plan for districts outside of New York City. For New York City, the instructions are contained in Chapter 9 of Volume 4 of the Fiscal Reference Manual.

TRAINING COSTS: Claiming instructions for district administrative expenditures related to the training

of employees which are claimed on the Schedule D-6 "Reimbursement For Training" (LDSS-2347-C) for the NYSCCBG program are covered in Chapter 13 of Volume 3 of the Fiscal Reference Manual for districts outside of New York City. New York City should refer to Chapter 13 of Volume 4 of the Fiscal Reference Manual.

CONTACT PERSON

If you have any questions regarding information contained in this LCM, please contact Eileen Mahoney of the Bureau of Early Childhood Services at (518) 473-0711. Ms. Mahoney also may be contacted via e-mail at EILEENBECS.MAHONEY@dfa.state.ny.us

If you have any fiscal questions, please contact the Bureau of Financial Services:

Region 1-4 – Carolyn Oleyourryk at 1-800-343-8859, ext. 4-7549 or (518) 474-7549;
E-mail address: Carolyn.Oleyourryk@otda.state.ny.us.

Region 5 - Michael Borenstein at (631) 854-9704;
E-mail address: Michael.Borenstein@dfa.state.ny.us.

Region 6 - Marian Borenstein at (212) 383-1735;
E-mail address: Marian.Borenstein@dfa.state.ny.us.

If you have questions pertaining to the FFFS Plan, please contact Jane Wagner at (518)402-3599; E-mail address: Jane.Wagner@dfa.state.ny.us or Susanne Haag at (518)486-6291; E-mail address: Susanne.Haag@dfa.state.ny.us.

If you have WMS/Services questions, please contact Dan McCarthy of the OCFS IT Operations at 800-342-3727; E-mail address: Dan.McCarthy@dfa.state.ny.us.

If you have WMS/IM questions, please contact Tully Lenihan of the Office of Temporary and Disability Assistance at (518) 474-8749; E-mail address: Tully.Lenihan@dfa.state.ny.us.

/s/ Susan A. Costello

Susan A. Costello
Deputy Commissioner

/s/ Jane Lynch

Jane Lynch
Deputy Commissioner

Division of Administration

Division of Development and
Prevention Services

ATTACHMENT A
NEW YORK STATE CHILD CARE BLOCK GRANT
LOCAL DISTRICT ALLOCATIONS
4/1/2006 - 3/31/2007

<u>DISTRICT</u>	<u>APRIL 1, 2006</u> <u>THROUGH</u> <u>SEPTEMBER 30, 2006</u>	<u>OCTOBER 1, 2006</u> <u>THROUGH</u> <u>MARCH 31, 2007</u>	<u>TOTAL</u> <u>ALLOCATION</u>
Albany	\$2,740,054	\$2,740,054	\$5,480,108
Allegany	\$246,086	\$246,086	\$492,172
Broome	\$775,066	\$775,066	\$1,550,132
Cattaraugus	\$496,760	\$496,759	\$993,519
Cayuga	\$416,908	\$416,907	\$833,815
Chautauqua	\$1,297,100	\$1,297,099	\$2,594,199
Chemung	\$793,660	\$793,660	\$1,587,320
Chenango	\$297,500	\$297,499	\$594,999
Clinton	\$317,434	\$317,434	\$634,868
Columbia	\$295,873	\$295,872	\$591,745
Cortland	\$319,964	\$319,964	\$639,928
Delaware	\$242,037	\$242,037	\$484,074
Dutchess	\$1,259,854	\$1,259,853	\$2,519,707
Erie	\$7,784,323	\$7,784,322	\$15,568,645
Essex	\$126,788	\$126,788	\$253,576
Franklin	\$318,892	\$318,891	\$637,783
Fulton	\$287,209	\$287,208	\$574,417
Genesee	\$278,142	\$278,142	\$556,284
Greene	\$205,861	\$205,860	\$411,721
Hamilton	\$20,564	\$20,564	\$41,128
Herkimer	\$293,792	\$293,792	\$587,584
Jefferson	\$689,559	\$689,559	\$1,379,118
Lewis	\$137,010	\$137,010	\$274,020
Livingston	\$242,413	\$242,412	\$484,825
Madison	\$275,322	\$275,322	\$550,644
Monroe	\$9,241,348	\$9,241,348	\$18,482,696
Montgomery	\$199,996	\$199,996	\$399,992
Nassau	\$6,651,854	\$6,651,854	\$13,303,708
Niagara	\$1,206,271	\$1,206,270	\$2,412,541

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<u>DISTRICT</u>	<u>APRIL 1, 2006</u> <u>THROUGH</u> <u>SEPTEMBER 30, 2006</u>	<u>OCTOBER 1, 2006</u> <u>THROUGH</u> <u>MARCH 31, 2007</u>	<u>TOTAL</u> <u>ALLOCATION</u>
Oneida	\$1,953,221	\$1,953,221	\$3,906,442
Onondaga	\$3,526,135	\$3,526,134	\$7,052,269
Ontario	\$554,415	\$554,414	\$1,108,829
Orange	\$1,838,134	\$1,838,133	\$3,676,267
Orleans	\$315,219	\$315,219	\$630,438
Oswego	\$671,189	\$671,188	\$1,342,377
Otsego	\$276,081	\$276,081	\$552,162
Putnam	\$215,352	\$215,351	\$430,703
Rensselaer	\$762,914	\$762,913	\$1,525,827
Rockland	\$1,758,101	\$1,758,100	\$3,516,201
St. Lawrence	\$779,941	\$779,940	\$1,559,881
Saratoga	\$654,832	\$654,831	\$1,309,663
Schenectady	\$1,191,201	\$1,191,200	\$2,382,401
Schoharie	\$105,504	\$105,504	\$211,008
Schuyler	\$126,733	\$126,733	\$253,466
Seneca	\$187,557	\$187,557	\$375,114
Steuben	\$916,337	\$916,337	\$1,832,674
Suffolk	\$8,044,726	\$8,044,725	\$16,089,451
Sullivan	\$516,270	\$516,270	\$1,032,540
Tioga	\$302,983	\$302,983	\$605,966
Tompkins	\$420,479	\$420,478	\$840,957
Ulster	\$1,040,782	\$1,040,782	\$2,081,564
Warren	\$373,941	\$373,941	\$747,882
Washington	\$275,323	\$275,322	\$550,645
Wayne	\$389,569	\$389,568	\$779,137
Westchester	\$6,356,752	\$6,356,751	\$12,713,503
Wyoming	\$192,142	\$192,141	\$384,283
Yates	\$150,747	\$150,746	\$301,493
New York City	\$105,056,109	\$105,056,109	\$210,112,218
State Total	\$176,410,329	\$176,410,300	\$352,820,629

**ATTACHMENT B
NEW YORK STATE CHILD CARE BLOCK GRANT**

**MAINTENANCE OF EFFORT LEVEL
Federal Fiscal Year 1995 Basis**

<u>DISTRICT</u>	<u>MOE AMOUNT</u>	<u>DISTRICT</u>	<u>MOE AMOUNT</u>
Albany	\$ 1,019,127	Oneida	\$ 283,468
Allegany	68,895	Onondaga	1,204,201
Broome	518,534	Ontario	73,752
Cattaraugus	34,769	Orange	32,900
Cayuga	15,101	Orleans	36,152
Chautauqua	558,879	Oswego	41,453
Chemung	63,364	Otsego	28,900
Chenango	27,933	Putnam	62,728
Clinton	99,395	Rensselaer	164,819
Columbia	7,848	Rockland	235,830
Cortland	53,422	St. Lawrence	101,658
Delaware	34,955	Saratoga	30,127
Dutchess	193,433	Schenectady	228,165
Erie	1,264,742	Schoharie	12,101
Essex	16,498	Schuyler	9,515
Franklin	26,381	Seneca	19,292
Fulton	38,407	Steuben	148,022
Genesee	49,813	Suffolk	692,326
Greene	20,310	Sullivan	28,491
Hamilton	2,738	Tioga	22,049
Herkimer	14,318	Tompkins	70,752
Jefferson	81,936	Ulster	208,356
Lewis	11,454	Warren	22,063
Livingston	76,936	Washington	32,583
Madison	12,147	Wayne	39,416
Monroe	4,221,021	Westchester	1,018,071
Montgomery	11,738	Wyoming	13,806
Nassau	1,574,621	Yates	11,683
Niagara	364,420		
		New York City	52,937,271
		State Total	68,293,085

