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| LOCAL COMMISSIONERS MEMORANDUM |
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Transmittal No: 91 LCM-148

Date: August 21, 1991

Division: Family and Children
Services

TO: Local District Commissioners

SUBJECT: Low Income Day Care Allocations SFY 1991

ATTACHMENTS: Attachment A-Individual Local District's Allocation
(not available on-line)
Attachment B-Corrected page to 91-LCM-112-Attachment B
(available on-line)

I am pleased to inform you of your allocation for the Low Income Day Care Program. Attachment A indicates your allocation of state funds for SFY 91-92.

This year's Low Income Day Care Program appropriation is \$36,866,000. Therefore, there is no increase in the Low Income Day Care Program allocations to the social services districts over 1990-91 levels. Allocations are based on the 1990-91 allocation, not expenditures during SFY 90-91.

Due to the growth in the Low Income Day Care Program, there will be no reallocation of Low Income funds. Districts whose expenditures exceed their Low Income Day Care allocation will need to participate in the new IV-A At Risk Low Income Child Care program (ARLICC) or the Child Care and Development Block Grant Program (CCDBG) in order to maintain their current program. Districts which anticipate expanding child day care programs must do so through ARLICC and CCDBG. Please refer to 91-LCM-112 for program information on the new At Risk Low Income Child Care Program.

The district's Low Income Day Care Program allocation will be the state match for the ARLICC Program. The LCM referenced above details the match requirements. Attachment B is a corrected page to 91-LCM-112-Attachment B-Prospective Allocations.

Claims for the Low Income Day Care Program for SFY 91-92 must be submitted by May 31, 1992.

Program requirements for this year's Low Income Day Care program are effective April 1, 1991. Except for the changes detailed below, the program will continue to operate under the current guidelines.

SIGNIFICANT PROGRAM CHANGES:

1. Rates of Payment

The rates of payment for child day care services purchased under the Low Income Day Care Program must be based on the actual cost of care (rate charged by the provider) up to the applicable local market rate as set forth in 18 NYCRR 415.9. Social services districts continue to have the authority to negotiate with child day care providers to purchase Low Income Day Care based on the need for such services, the availability of child day care providers in the community, and the actual cost of care. However, in negotiating contracts with child day care providers, districts must be willing to negotiate rates of payment up to the applicable local market rate in order to meet the district's needs for such child care services. Previously, districts could choose to reimburse up to the applicable market rate for Low Income Day Care.

2. Administrative Expenditures

Reimbursement for administrative costs is now limited to eight (8) percent of the allocation available to the district or \$25,000, whichever is greater. The maximum reimbursement is \$350,000.

We congratulate those districts whose efforts have enabled low income parents with children in need of child care to complete their education and to maintain employment. We look forward to maintaining the availability of quality and affordable day care to New York's children.

If you have any questions concerning the Low Income Day Care Program, please contact the Bureau of Child Care at 1-800-342-3715, extension 4-9324 or direct dial at (518) 474-9324.

Joseph Semidei
Deputy Commissioner
Division of Family and Children
Services

Attachment B - Prospective Allocations

Example of Calculating Maximum Gross Program Size
with ARLICC and LIDC Allocations

At the beginning of the state fiscal year, County X receives a state LIDC allocation of \$600,000 and a federal ARLICC allocation of \$275,000. In order to calculate the maximum gross program size which would be fully reimbursable with these two allocations, the local district should make the following calculations.

\$275,000	federal share ARLICC @50%
<u> /50%</u>	divided by 50% for gross program size
\$550,000	gross ARLICC program
<u> * 37.5%</u>	
\$206,250	state share ARLICC
\$550,000	gross ARLICC program
<u> * 12.5%</u>	
\$68,750	Local share ARLICC (cash only)

\$600,000	state LIDC allocation
<u>-206,250</u>	less state ARLICC match
\$393,750	state share LIDC
<u> /87.5%</u>	divided by 87.5% for gross program size
\$450,000	LIDC gross program
<u> *12/5%</u>	
\$ 56,250	local share LIDC (cash/in-kind)

	<u>Gross</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>
LIDC	\$ 450,000.00	\$0.00	\$393,750.00	\$56,250.00
ARLICC	\$ <u>550,000.00</u>	<u>\$275,000.00</u>	<u>\$206,250.00</u>	<u>\$68,750.00</u>
Total	\$1,000,000.00	\$275,000.00	\$600,000.00	\$125,000.00