



# Office of Children and Family Services

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Acting Commissioner

## Local Commissioners Memorandum

<b>Transmittal:</b>	16-OCFS-LCM-08
<b>To:</b>	Local District Commissioners
<b>Issuing Division/Office:</b>	Division of Child Care Services Division of Administration
<b>Date:</b>	May 16, 2016
<b>Subject:</b>	<b>New York State Child Care Block Grant Subsidy Program Allocations SFY 2016-2017</b>
<b>Contact Person(s):</b>	Please contact the following persons for questions regarding this LCM: <ul style="list-style-type: none"><li>• Program questions: Joe Ziegler, OCFS Division of Child Care Services; 518-402-6520 or via email at <a href="mailto:Joe.Ziegler@ocfs.ny.gov">Joe.Ziegler@ocfs.ny.gov</a></li><li>• Claiming questions:<ul style="list-style-type: none"><li>○ (Upstate) Dan Stuhlman; 518-474-7549 or via email at <a href="mailto:Dan.Stuhlman@otda.ny.gov">Dan.Stuhlman@otda.ny.gov</a></li><li>○ (Downstate) Michael Simon; (212) 961-8250 or via email at <a href="mailto:Michael.Simon@otda.ny.gov">Michael.Simon@otda.ny.gov</a></li></ul></li><li>• WMS/Services questions: Tina McCarthy, OCFS IT Operations; 800-342-3727 or via email at <a href="mailto:Tina.McCarthy@its.ny.gov">Tina.McCarthy@its.ny.gov</a></li></ul>
<b>Attachments:</b>	A: New York State Child Care Block Grant Local Department of Social Services Allocations B: Maintenance of Effort Level

## **I. Purpose**

The purpose of this Local Commissioners Memorandum (LCM) is to inform local departments of social services (LDSSs) 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, 2016, through March 31, 2017. This LCM also explains the allowable uses for these federal and state funds. The NYSCCBG appropriation for LDSSs for the period April 1, 2016, through March 31, 2017, State Fiscal Year (SFY) 2016-17 is \$805,928,001, which is consistent with prior year funding levels and includes an additional \$6.8 million dollars to assist LDSSs with the new Child Care Market Rates going into effect June 1, 2016.

## **II. Background**

In order for an LDSS to participate in the NYSCCBG subsidy program, the commissioner of the LDSS must agree to comply with the program requirements of the NYSCCBG as set forth in Title 5-C of Article 6 of the Social Services Law; Title 18 of the New York State Code of Rules and Regulations (18 NYCRR) Parts 358, 404, 405, 407, 415, and 628; and New York State Office of Children and Family Services (OCFS) policy directives, including Administrative Directives (ADMs), Local Commissioner Memorandums (LCMs), and Informational Letters (INFs). Title 5-C of Article 6 of the Social Services Law, Section 410-x (4.), requires OCFS to establish in regulation the applicable market-related payment rates that will establish the ceilings for state and federal reimbursement for payments made under the NYSCCBG. The amount to be paid or allowed for child care assistance funded under the NYSCCBG and under Title XX shall be the actual cost of care but no more than the applicable market rate established in regulations. LDSSs must pay the applicable market rate unless the actual cost of care is less, in which case LDSSs must pay the actual cost of care. The LDSS also must agree to comply with the requirements for the federal Child Care and Development Fund (CCDF). LDSSs provide such legal assurances as part of the submission of their Child and Family Services Plans.

## **III. Program Implications**

### **A. ALLOCATION INFORMATION**

Attachment A provides LDSS allocations for the NYSCCBG subsidy funds for the period beginning April 1, 2016, and ending March 31, 2017. The allocations are listed for two six-month periods to reflect the Federal Fiscal Year (FFY), which differs from the SFY. The lists show allocations for the period April 1, 2016, to September 30, 2017, the last half of FFY 2015-16, and for the period October 1, 2016, to March 31, 2017, the first half of the FFY 2016-17. Previously, 15-OCFS-LCM-02, dated April 22, 2015, notified LDSSs of their NYSCCBG allocations for the first half of FFY 2015-16, October 1, 2015, to March 31, 2016. Any unspent funds allocated for that period will be carried into and be available for the period ending September 30, 2016. Any portion of an LDSS's NYSCCBG allocation for FFY 2015-16 (October 1, 2015 through September 30, 2016) that is not claimed by the LDSS by March 31, 2017, will remain available to the LDSS through the end of FFY 2016-17 (September 30, 2017). This would include any

Temporary Assistance for Needy Families (TANF) funds transferred from an LDSS's SFY 2016-17 Flexible Fund for Family Services (FFFS) allocation for the period April 1, 2016, to September 30, 2016. However, claims for expenditures for FFY October 1, 2015, through September 30, 2016, cannot be rolled forward into the next FFY.

The allocation methodology for SFY 2016-17 determines each LDSS's proportionate share of the block grant funds based on the average level of annual child care claims for FFY 2010-11 through FFY 2014-15. Rollover of unspent NYSCCBG funds is taken into account for those LDSSs that meet both of the following criteria:

- The LDSS's FFY 2014-15 rollover into FFY 2015-16 was more than 15 percent of its FFY 2014-15 NYSCCBG claims; AND
- The LDSS's FFY 2014-15 rollover amount exceeded 75 percent of its FFY 2013-14 rollover amount.

For any LDSS meeting both of these criteria, the base allocation is first reduced by an amount equal to 40 percent of the rollover amount from FFY 2014-15 into FFY 2015-16 (but not to exceed the five-year-average-claim base allocation).

The statewide allocation reduction is then redistributed among LDSSs as follows. For LDSSs whose FFY 2014-15 NYSCCBG claims exceeded the sum of their SFY 2015-16 base allocations (as adjusted) and FFY 2014-15 rollover amounts, the amount of allocation reduction is redistributed on a pro-rated basis, proportionate to the LDSS's share of the total excess claims. The sum of each LDSS's five year average claim base allocation, allocation reduction, and redistribution is its final SFY 2016-17 allocation.

While the NYSCCBG allocation is the primary resource available to LDSSs in meeting their child care subsidy needs for low-income families and individuals on public assistance, all LDSSs have the ability to utilize additional funds from the FFFS for child care subsidy costs. The SFY 2016-17 Enacted Budget continues to appropriate \$964 million of TANF funding for the FFFS. Under the FFFS, LDSSs have the option to transfer a portion of their FFFS allocation to the Child Care and Development Block Grant (CCDBG). Federal law requires that any FFFS funding transferred to the CCDBG must be used for families and individuals with incomes below 200 percent of the federal poverty level. Consistent with federal statute, a statewide total of 30 percent of the state's total TANF funds may be transferred to the CCDBG and/or to the Title XX Social Services Block Grant, with an upward statewide limit of 10 percent for the Title XX transfer. An LDSS may transfer up to 32 percent of its FFFS allocation to the CCDBG and Title XX combined, with up to 25 percent of its FFFS allocation going to Title XX. Any FFFS funding an LDSS chooses to use for child care must be transferred to the CCDBG 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 MOE are unchanged.

As was the case in SFY 2015-16, LDSSs that have fully expended their allocation and have met their MOE may seek 50 percent federal reimbursement through the Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T) program. All SNAP E&T claims for FFY 2015-16 must be submitted to the New York State Office of Temporary and Disability Assistance (OTDA) by March 31, 2017. Further

information about eligibility and claiming for FFY 2015-16 will be issued in a separate LCM from OTDA.

Each LDSS may spend no more than five percent of its NYSCCBG allocation, including any funds transferred from FFFS 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 for contract development; resource and referral services; training; or the establishment and maintenance of computerized child care information systems.

An LDSS, at its option, may make payments for eligible families for transportation to and from a child care provider. An LDSS 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 LDSS may make arrangements using other providers of transportation services. Expenditures for transportation are reimbursed as a program cost under the LDSS's NYSCCBG allocation if the provision of transportation services is included in the LDSS's Child and Family Services Plan.

## **B. 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 Section 415.2. LDSSs are required to include this information in the LDSS's Child and Family Services Plans, including the categories of families that the LDSS has chosen to serve and prioritize under the second and third categories listed 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 LDSS includes them as eligible families in the child care section of the Child and Family Services Plan.

## **C. PARENTAL CHOICE**

LDSSs must inform parents or caretakers requesting NYSCCBG services that they may either:

- choose to have care provided by one of the child day care providers with whom the LDSS has contracted for the provision of child care services; or
- request a child care certificate, which enables the parents or caretakers to select from a full range of child care arrangements, including care by licensed or registered child care providers and providers of legally exempt child care.

The child's parents or 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. LDSSs must allow parents to select, and must have a method to pay, any and all legally operating providers with whom they do not contract. A contract may not be made a condition of receiving payment from NYSCCBG funds.

#### **D. 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 LDSS's NYSCCBG allocation ceiling. Claims for expenditures for child care for all other eligible families will be reimbursed at 100 percent with NYSCCBG funds, as long as the LDSS's MOE is met, up to the LDSS's NYSCCBG allocation ceiling.

#### **E. MAINTENANCE OF EFFORT**

Each LDSS must maintain local spending for child care services at a level established by OCFS in accordance with state statute. The MOE for each LDSS is listed in Attachment B and is unchanged from the previous year.

The MOE was calculated by totaling the LDSS share of expenditures in FFY 1994-95 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, CCDBG, Emergency Assistance to Families, Job Opportunities and Basic Skills (JOBS)-related child care and employment-related child care. In addition, the MOE for those LDSSs participating in the Child Assistance Program (CAP) was adjusted to reflect the LDSS share for FFY 1996-97 CAP child care expenditures included in their NYSCCBG allocations.

Each LDSS must meet its MOE level in cash in FFY 2015-16 and in each subsequent FFY. The MOE is met by the 25 percent local share of claims for expenditures for public assistance recipients, as reported on Schedule H, *Non-Title XX Services for Recipients* and any other non-Title XX expenditures that are allowable but not reimbursed under the NYSCCBG allocation. Claims submitted under NYSCCBG will be processed to ensure that the LDSS'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.

#### **F. 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, the LDSS can continue to use the DSS-3209 *IM/WMS Authorization* for child care payments for eligible families applying for or receiving public assistance. An LDSS may, at its option, use the DSS-2970, *WMS Services Authorization*, to authorize payment for child care for

public assistance families. Purchase of Service Type Suffix Code (Data Element #23021) value "S-Block Grant DC 75%" 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 LDSS's allocation ceiling.

The LDSS has 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, the LDSS must authorize payment in WMS/Services by using Purchase of Service Type Suffix Code value "R-Block Grant DC 100%" 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 LDSS'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 LDSS's allocation ceiling.

WMS Services continue to support the monitoring of the issuance and return of child care certificates. Instructions for the child care certificate are included in 92 LCM-138, *Child Care Certificate Program* <http://ocfs.ny.gov/main/policies/external/1992/LCMs/92-LCM-138%20Child%20Care%20Certificate%20Program.pdf> and in the *BICS Operations Manual*, page A-62, BICS Production Request 32, Request for Self-Selected Day Care Certs, in the edition dated April 1, 2005. Information is also provided in the *BICS Services Payment Processing Manual*, Chapter 2, Authorizations, and Self-Selected Day Care Certificates.

## **G. 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 13 (Day Care Block Grant 75 percent). NYSCCBG program expenditures for child care subsidies for all other eligible families are claimed on Schedule H, line 2, column 12 (Day Care Block Grant 100 percent). Please refer to the *Fiscal Reference Manual*, Volume 2, Chapter 3 for detailed instructions for completing Schedule H.

NYSCCBG child counts and expenditures also must be reported on the Schedule G-2 *Summary of All 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 that are not direct charged on the Schedule D-2 are claimed in accordance with the *Services Random Moment*

*Survey* (RMS) as Child Care Block Grant costs on line 6, section 1A (associated A-87 costs are claimed on line 4, section 2) of the Schedule D-2, *Allocation for Claiming General Services Administration 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*.

Claiming instructions for LDSS administrative expenditures related to the training of employees that are claimed on the Schedule D-6 *Reimbursement Claim for Training* (LDSS-2347-C) for the NYSCCBG program are provided in Chapter 13 of Volume 3 of the *Fiscal Reference Manual*, available here:

FRM Vol. 2 – [http://otda.state.nyenet/bfdm/finance/FRM\\_Vol2\\_Manual.asp](http://otda.state.nyenet/bfdm/finance/FRM_Vol2_Manual.asp)

FRM Vol. 3 – [http://otda.state.nyenet/bfdm/finance/FRM\\_Vol3\\_Manual.asp](http://otda.state.nyenet/bfdm/finance/FRM_Vol3_Manual.asp)

*/s/ Derek J. Holtzclaw*

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**ATTACHMENT A**  
**NEW YORK STATE CHILD CARE BLOCK GRANT**  
**SOCIAL SERVICES DISTRICT ALLOCATIONS**  
**4/1/2016-3/31/2017**

<b>LDSS</b>	<b>April 1, 2016 September 30, 2016</b>	<b>October 1, 2016 March 31, 2017</b>	<b>Final SFY 2016- 17 Allocation</b>
Albany	\$6,264,905	\$6,264,905	\$12,529,810
Allegany	\$239,114	\$239,114	\$478,228
Broome	\$2,146,237	\$2,146,236	\$4,292,473
Cattaraugus	\$883,662	\$883,661	\$1,767,323
Cayuga	\$778,510	\$778,510	\$1,557,020
Chautauqua	\$2,253,965	\$2,253,964	\$4,507,929
Chemung	\$1,659,220	\$1,659,219	\$3,318,439
Chenango	\$265,489	\$265,488	\$530,977
Clinton	\$539,066	\$539,066	\$1,078,132
Columbia	\$695,243	\$695,243	\$1,390,486
Cortland	\$458,252	\$458,251	\$916,503
Delaware	\$654,429	\$654,429	\$1,308,858
Dutchess	\$3,479,177	\$3,479,176	\$6,958,353
Erie	\$12,344,838	\$12,344,838	\$24,689,676
Essex	\$212,371	\$212,371	\$424,742
Franklin	\$516,350	\$516,350	\$1,032,700
Fulton	\$274,251	\$274,250	\$548,501
Genesee	\$509,975	\$509,975	\$1,019,950
Greene	\$220,756	\$220,756	\$441,512
Hamilton	\$0	\$0	\$0
Herkimer	\$470,804	\$470,803	\$941,607
Jefferson	\$742,526	\$742,526	\$1,485,052
Lewis	\$173,496	\$173,496	\$346,992
Livingston	\$680,187	\$680,187	\$1,360,374
Madison	\$391,544	\$391,544	\$783,088
Monroe	\$18,154,188	\$18,154,187	\$36,308,375
Montgomery	\$408,921	\$408,920	\$817,841
Nassau	\$26,341,504	\$26,341,504	\$52,683,008
Niagara	\$1,356,234	\$1,356,234	\$2,712,468
Oneida	\$3,477,597	\$3,477,597	\$6,955,194
Onondaga	\$8,911,212	\$8,911,211	\$17,822,423
Ontario	\$962,136	\$962,136	\$1,924,272

<b>LDSS</b>	<b>April 1, 2016 September 30,2016</b>	<b>October 1, 2016 March 31, 2017</b>	<b>Final SFY 2016- 17 Allocation</b>
Orange	\$3,086,527	\$3,086,527	\$6,173,054
Orleans	\$397,635	\$397,634	\$795,269
Oswego	\$1,132,816	\$1,132,815	\$2,265,631
Otsego	\$442,634	\$442,634	\$885,268
Putnam	\$482,074	\$482,073	\$964,147
Rensselaer	\$2,115,053	\$2,115,053	\$4,230,106
Rockland	\$3,741,512	\$3,741,512	\$7,483,024
Saint Lawrence	\$844,512	\$844,512	\$1,689,024
Saratoga	\$1,048,715	\$1,048,714	\$2,097,429
Schenectady	\$3,349,896	\$3,349,895	\$6,699,791
Schoharie	\$303,027	\$303,027	\$606,054
Schuyler	\$172,357	\$172,357	\$344,714
Seneca	\$218,112	\$218,111	\$436,223
Steuben	\$1,171,829	\$1,171,829	\$2,343,658
Suffolk	\$16,271,489	\$16,271,488	\$32,542,977
Sullivan	\$836,738	\$836,738	\$1,673,476
Tioga	\$681,217	\$681,217	\$1,362,434
Tompkins	\$1,085,745	\$1,085,744	\$2,171,489
Ulster	\$1,999,972	\$1,999,971	\$3,999,943
Warren	\$720,937	\$720,937	\$1,441,874
Washington	\$463,685	\$463,684	\$927,369
Wayne	\$436,165	\$436,164	\$872,329
Westchester	\$15,049,938	\$15,049,937	\$30,099,875
Wyoming	\$260,591	\$260,590	\$521,181
Yates	\$82,873	\$82,872	\$165,745
New York City	\$250,101,806	\$250,101,805	\$500,203,611
State Total	\$402,964,014	\$402,963,987	\$805,928,001

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

**MAINTENANCE OF EFFORT (MOE) LEVEL  
Federal Fiscal Year 1994-95 Basis**

<b>LDSS</b>	<b>MOE Amount</b>	<b>LDSS</b>	<b>MOE Amount</b>
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	Saint 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