

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

ANNA CARTER  
DIRECTOR

**SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #06-17**

TO: Directors of County Departments of Social Services  
Directors of Other Local Purchasing Agencies

SUBJECT: Changes to Subsidized Child Care Assistance (SCCA) Policy

ATTENTION: Child Care Coordinators, Managers, & Supervisors  
Other DSS Personnel who work with the SCCA Program

ISSUE DATE: July 20, 2017

EFFECTIVE DATE: Immediately for Counties Activated in NC FAST & The First Month a Payment is  
Processed through NC FAST for Counties Not Yet Activated in NC FAST

The purpose of this Administrative Letter is to communicate changes to SCCA policy regarding:

**Chapter 22 Local Policy Options**

**1. General Information:**

In accordance with Chapter 22, The LPA has the option to create Local Policy Options for their individual county. The following policies are discussed in this chapter.

- I. CHAPTER OVERVIEW
- II. FUNDING FOR SUBSIDIZED CHILD CARE (SCC)
- III. ESTABLISHING NEED AND A PLAN OF CARE
- IV. FEES
- V. PARENTAL CHOICE AND VOUCHER PROCEDURES
- VI. WAITING LIST
- VII. PROVIDER AND PAYMENT ISSUES

**2. Policies:**

Chapter 22 has been removed from the Subsidized Child Care Assistance Program Manual. All local policy options found in Chapter 22 have been reduced, revised or standardized. The few remaining policies were moved to other chapters within the manual. Local Purchasing Agencies will **ONLY** have local options for prioritizing the waiting list, and increasing the county's special needs set aside. All waiting list policies can be found in Chapter 10 and Administrative Letter #10-16. Policy regarding Special Needs Set-Aside can be found in Chapters 2 and 6.

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## II. FUNDING FOR SUBSIDIZED CHILD CARE (SCC)

- A. Set aside an amount greater than the minimum special needs set-aside determined by DCDEE.

**Still allowed as a local policy option.**

**Refer to Chapter 2 Funding for Subsidized Child Care Services, Section V.**

**Refer to Chapter 6 Serving Children with Special Needs, Section III.**

## III. ESTABLISHING NEED AND A PLAN OF CARE

- A. Establish certain policies relating to education or training and what constitutes vocational training, attendance and performance expectation of the participants. In addition, local policies may address, how often a parent/responsible adult may change training programs and the allowable time frame for completing vocational or Work First Employment Services training related activity programs.

**No longer allowed as a local policy option.**

**Refer to Chapter 5, III., C., 1. b., (2) (page 11 SCCA Program Online Manual for information about vocational/skills training).**

**Regarding attendance and performance expectations of the participant, 90-day transition will occur should a participant/recipient's education/training be discontinued prior to the end of the certification period due to attendance and or performance issues.**

**Refer to Administrative Letter #04-15: Conducting Periodic Reviews**

**Refer to Revised Administrative Letter #05-16 (REVISED): 90 Day Transition**

**Refer to Administrative Letter #08-16: Continued Eligibility**

**Refer to Administrative Letter #02-17: Work First Recipients have 60 months and potential 90-day transition at end of 60 months.**

**Note: There is no limit on how often a parent/responsible adult may change training programs.**

- B. Develop local policies that define gainful employment.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #02-17: Definition of Gainful Employment**

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- C. Establish an initial period during which the self-employed individual is required to record the time and hours worked and the income received.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #01-16: Self-Employment/Gainful Employment**

- D. Determine how to handle a parent that abuses the service by repeatedly quitting a job and looking for another job, despite the LPA making every effort to assist the parent in maintaining employment.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #05-16 (REVISED): 90-Day Transition**

- E. Develop local policy on serving clients if part-time care cannot be found.

**No longer allowed as a local policy option.**

**This will be allowed only when the family has extenuating circumstances that would prevent child care assistance from being provided if this policy was not available. In the near future, NC FAST will provide a method to document and track these situations and the details of the family's extenuating circumstances. More information will be provided once this functionality is available in NC FAST.**

#### **IV. FEES**

- A. Assess the parental fee on a daily basis (prorated) beginning with the first day the child enrolls or start assessing at the beginning of the first full month of child care services.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #06-15: Start Date of Parental Fees**

- B. Develop local policy to specify the time frame for providers in allowing parental fees to go unpaid prior to requesting termination of services.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #06-15: Collection of Unpaid Parental Fees**

#### **V. PARENTAL CHOICE AND VOUCHER PROCEDURES**

- A. Determine if the voucher should be signed by the parent or staff designated by the DSS Director when child care services are being provided to support child protective services or the child is in DSS custody.

**No longer allowed as a local policy option.**

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**Refer to Administrative Letter #02-17 Child Protective Service Cases**

- B. Request that providers return the child care voucher to the LPA in less than 30 days. This option requires advance approval by DCDEE.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #08-15: Return of Vouchers**

- C. Develop local policy related to processing an expired child care voucher.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #08-15: Expired Vouchers**

- D. Develop criteria that limit the number of times a family may change child care arrangements.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #02-16: Changing Providers**

**VI. WAITING LIST**

- A. Determine policies for prioritizing the placement of children in care when there are insufficient funds to serve all eligible families (such as child care to support protective services, Work First families or serving children with special needs).

**Still allowed as a local policy option.**

**Refer to Chapter 10 and Administrative Letter #10-16: Waiting List and Waiting List Surveys**

- B. Determine policies for reducing services when child care funding is not available, such as termination of part-time child care services, etc.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #02-17: Reducing Services**

- C. Determine how often the waiting lists are reviewed and updated.

**Still allowed as a local policy option.**

**Refer to Administrative Letter #10-16: Waiting List and Waiting List Surveys**

- D. Establish a time frame for contacting a family once a parent's name is reached on the waiting list, notifying them in writing that they may come in to apply for services.

**Still allowed as a local policy option.**

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**Refer to Administrative Letter #10-16: Waiting List and Waiting List Surveys**

**NOTE: All waiting list policies can be found in Chapter 10 of the Subsidized Child Care Assistance Manual and in Administrative Letter #10-16.**

**VII. PROVIDER AND PAYMENT ISSUES:**

- A. Set limits on the number and type of days (e.g., holiday, vacation, and emergency) during the contract period that the facility can be closed and still receive payment for subsidized child care.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #04-16 (REVISED): Provider Closings with Pay**

- B. Determine how increases/decreases in payment rates will be handled.

**No longer allowed as a local policy option.**

**Refer to Revised Administrative Letter #05-16 (REVISED): Provider Rate Changes**

- C. Develop policies about how providers report absences and submit monthly child care attendance records.

**No longer allowed as a local policy option.**

**Refer to Administrative Letter #01-17: Reporting Absences and Submitting Attendance**

**3. Procedures**

Please refer to each Administrative Letter or chapter in the online manual and follow procedures accordingly. Counties will also need to submit their local plan on how they will maintain their waiting list and special needs set aside.

Proposed local plans must be submitted to DCDEE by December 31, 2017. Plans can be submitted by mail to the Subsidy Services Section at 2201 Mail Service Center Raleigh, NC 27699. Or by email at [DCDEE.Subsidy.submissions@dhhs.nc.gov](mailto:DCDEE.Subsidy.submissions@dhhs.nc.gov). All local plans will be reviewed by the Subsidy Services Consultant for approval prior to submission to the local purchasing agency (LPA) director and local governing board. The Subsidy Services Consultant will follow the Division's approval process. The Division issues an approval letter with the local policies to the LPA. The letter must be kept on file with the final version of the approved local policies. Signatures of the director of the LPA and Board Chair and date are

required on the final copy of the policies which must be maintained in the LPA's office. LPAs must develop a uniform manner to notify parents and providers of local policies and provide a copy of local approved plans to their Subsidy Services Consultant.

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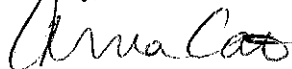


**NOTE:** The local plans cannot be implemented by the LPA until the Division issues the approval letter.

Please submit your local plan on these two policies to the Subsidy Services Section of the Division of Child Development and Early Education by **December 31, 2017**.

If you have questions about the information in this letter, or other Subsidized Child Care Assistance Program questions, please contact [dcdee.subsidy.policy.help@dhhs.nc.gov](mailto:dcdee.subsidy.policy.help@dhhs.nc.gov) to reach technical assistance and policy consultation.

Sincerely,



Anna Carter, Director  
AC/DL

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