



North Carolina Department of Health and Human Services

DIVISION OF CHILD DEVELOPMENT

Phone: 919.662.4499 Fax: 919.661.4845 Courier Number: 56-20-17



Physical Address:
319 Chapanoke Road
Raleigh, NC 27603

Mailing Address:
2201 Mail Service Center
Raleigh, NC 27699-2201

Beverly Eaves Perdue, Governor

Lanier M. Cansler, Secretary

Deborah J. Cassidy, Director

MEMORANDUM

TO: County Department of Social Services and
Other Local Purchasing Agencies

FROM: Deborah J. Cassidy, Ph.D. *DJC*

RE: State Fiscal Year 2009-2010 Close Out Instructions for the
Subsidized Child Care Reimbursement System

DATE: April 29, 2010

The purpose of this letter is to provide close out instructions for State Fiscal Year (SFY) 2009-2010 to child care and reimbursement staff of county departments of social services (DSS) and local purchasing agencies (LPA). Counties must enter their May services month subsidy expenditures in the Subsidized Child Care Reimbursement System (SCCRS) by 12:00 p.m. on Wednesday, June 16, 2010. After counties enter their data in the SCCRS, a delay in counties' close out will automatically occur. This delay allows Division staff time to review counties' expenditure balance and determine if one or more of the following circumstances is evident.

- If the Smart Start balance is \$500 or more, LPA staff will be asked to recode expenditures from Fund Source 20 or 25 to Fund Source 15 to spend out Smart Start funds.
- If Smart Start funds are overspent by more than \$100, LPA staff will be asked to recode expenditures from Fund Source 15 to Fund Source 20, 25 or 65.
- If Non Smart Start funds are overspent by \$1,500 or more, LPA staff will be asked to recode expenditures to other fund sources and enter the fund source code such as codes 55 (Local Funds), 71 (TANF MOE), 72 (TANF Federal Funds), and 73 (TANF Child Only-200% Poverty).

When one or more of the above circumstances exist, Sherry Young in the Subsidy Services Section of the Division will contact child care staff in the local purchasing agency to confirm how expenditures will be recoded. Division staff will then advance county's close out to the next step for payment after LPA staff complete the recoding process.

The Division may cover overspending amounts beyond counties' direct services allocation; however, if the amount exceeds \$1,500, counties should not assume the amount will be covered. Prior approval must be secured from the Division for amounts that exceed \$1,500. Child care staff must submit a request to Ron Byrd at ron.byrd@dhhs.gov.nc that includes a description of the amount of funding needed and why the overspending occurred. If funds are available, the Division may provide funds to cover the LPA's request.

NOTE: The Division requires that all Smart Start services support funds be fully expended by May 31, 2010 and reported through the DSS – 1571 system. If a balance exists for Non Smart Start services support funds, LPA staff may request permission from the Division to move these funds into direct services. The local purchasing agency is responsible for non Smart Start and Smart Start services support funds overspent for the SFY 2009-2010.

cc: DCD Subsidy Services Consultants
North Carolina Partnership for Children, Inc.