



Division of Early Care and Education
ADMINISTRATOR'S MEMO

_____ ACTION
 x NOTICE – DECE 25-01

ISSUE DATE: 07/30/25

DISPOSAL DATE: None

To: Tribal and County Agency Child Care Program Directors

From: Priya Bhatia
Division Administrator

RE: 2026 Child Care Contracts-Notice of Allocations

PURPOSE

This Memo provides notice of the Child Care Administration, Certification and Supplemental Fraud allocations for Tribal and County Agencies for contract year (CY) 2026. This Memo does not apply to Milwaukee County.

BACKGROUND

Wisconsin State Statute §49.155(3) permits the Department of Children and Families (DCF) to contract for child care services with a county department or tribal agency in each geographical region to determine eligibility and administer Wisconsin Shares child care assistance under §49.155(1m). The administration of child care services activities includes:

- Determining eligibility for Wisconsin Shares Child Care Subsidy Program.
- Determining an individual's liability for copayments.
- Determining and authorizing the amount of child care for which an individual may receive a subsidy.
- Assisting eligible individuals under this section to identify available child care providers and select appropriate child care arrangements.
- Reviewing and re-determining the financial and non-financial eligibility of individuals receiving child care subsidies as required by the Department; and
- Monitoring child care expenditures.

In addition, Wisconsin State Statute §48.651(1) permits the Department to contract with a county department or other agency or a tribal unit for certification of child care providers under Administrative Rule DCF 202. The Department also allocates funds under Wisconsin State Statute §49.175(1)(h) to local agencies to investigate suspected fraud.

Allocations

The FFY 2026 and CY 2026 Child Care Administration allocations for each county and tribal agency are shown in Attachment A. These allocations can be used by agencies for budget purposes.

For agencies that consolidate their allocations within a consortium, an appendix will be issued indicating funding to the designated fiscal agent.

Administration (0852 and 5855)

The total Administration allocation for CY 2026 is **\$10,815,701**. Pursuant to Wisconsin State Statute §49.155(3m), this allocation is distributed based on agency caseload size and activity. Allocations are at least 95% of the allocated amount in the previous year, and no less than \$20,000. Allocations for the established consortia will be consolidated and issued to the identified fiscal agent.

The Administration allocation must be used for administration and operation expenses, eligibility determinations, authorization activities, hearings, staff and other costs related to the operation of the Wisconsin Shares Child Care Subsidy program.

Certification (0831)

The total Certification allocation for CY 2026 is **\$1,326,899**. Pursuant to Wisconsin State Statute §48.651(2c)(b), this allocation is distributed based on the number of certified providers in each agency. Allocations are at least 95% of the allocated amount in the previous year, and no less than \$1,250.

The Certification allocation must be used for expenses associated with processing Expression of Interests, providing orientation information to prospective applicants, screening child care certification applications and renewals, site visits, compliance monitoring, complaint investigations, issuing certificates of approval, issuing enforcement actions, if appropriate and routinely monitoring the WISCCRS Dashboard.

Supplemental Fraud (0840)

The total Supplemental Fraud allocation for CY 2026 is **\$605,500**. This allocation is distributed based on agency caseload size and activity. Allocations are at least 95% of the allocated amount in the previous year, and no less than \$2,000.

The Supplemental Fraud allocation must be used for expenses associated with fraud prevention, child care fraud identification and recovery of overpayments. Allocations for the established consortia will be consolidated and issued to the identified fiscal agent.

Total Child Care Administration, Certification and Supplemental Fraud Allocations

Contract Year 2026 Allocations	
Administration	\$10,815,701
Certification	\$1,326,899
Supplemental Fraud	\$605,500
TOTAL	\$12,748,100

Expenditure Reporting

Agencies must report all child care program expenditures on the appropriate reporting lines in SPARC, as well as any fees or other program revenues received that offset program expenses. SPARC reports must be submitted monthly. Specific instructions on how to submit reports can be found online at: <https://dcf.wisconsin.gov/sparc>.

Agencies may transfer funds between Administration and Certification anytime during the contract year until January 31, 2027.

The Fraud allocation is a separate appropriation, and therefore is not interchangeable with Administration or Certification. If an agency's Fraud allocation is fully expended, the Department will automatically transfer additional expenditures.

Year End Balancing, De-obligate/Re-obligate and Closeout

Agencies must submit final expense reports no later than 60 days following the end of the contract period. Final tribal expenses are due by November 29, 2026, and final county expenses are due by March 2, 2027. Expenses reported late will be disallowed by the Department.

Pursuant to Wisconsin State Statute §49.155(3m)(b)4, the Department will redistribute (de-obligate/re-obligate) any unexpended contract balances from agency to agency and an amendment of final expenditures will be issued. The Department will make every reasonable effort possible to fully fund the child care administration expenses of each agency to the extent possible with state funding.

ACTION SUMMARY STATEMENT

The 2026 Tribal contracts will be used in July 2025 and the 2026 County contracts will be issued in November 2025.

CONTACT:

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Attachment A: CY2026 Agency Child Care Contract Allocation Amounts
Appendix A: WREA Consortium Funding Breakdown
Appendix B: Great Rivers Consortium Funding Breakdown
Appendix C: Northern Income Maintenance Consortium Funding Breakdown
Appendix D: Central Income Maintenance Consortium Funding Breakdown