



Division of Early Care and Education

ADMINISTRATOR'S MEMO

 ACTION
 X NOTICE DECE 16-02

ISSUE DATE: 07/18/16

DISPOSAL DATE: None

To: County and Tribal Child Care Program Directors

From: Judy Norman-Nunnery, Ph.D.
Division Administrator

RE: Child Care Contract Year 2017 – Preliminary Notice of Allocations

PURPOSE

This Administrator's Memo provides preliminary notice of the Child Care Administration, Certification and Supplemental Fraud allocations for Wisconsin tribes from October 1, 2016 through September 30, 2017, and for Wisconsin counties from January 1, 2017 through December 31, 2017 (Contract Year 2017). This Administrator's Memo does not apply to Milwaukee County.

BACKGROUND

Wisconsin Statute § 49.155 (1m) and (3) permits the Department of Children and Families to contract for child care services with a county department or tribe in each geographical region or tribal unit to determine eligibility and administer Wisconsin Shares child care assistance.

Contracted activities performed by local agencies include:

- Determine eligibility for child care subsidy;
- Determine an individual's liability for copayments;
- Determine and authorize the amount of child care for which an individual may receive a subsidy;
- Assist individuals who are eligible for child care subsidies under this section to identify available child care providers and select appropriate child care arrangements;
- Review and re-determine the financial and nonfinancial eligibility of individuals receiving child care subsidies as required by the department; and
- Monitor child care expenditures and authorization utilization.

The Department allocates supplemental funds to contracted local agencies for activities related to the investigation and prevention of child care subsidy fraud and to reduce payment errors.

In addition, Wisconsin Statute § 48.651(2) permits the Department of Children and Families to contract with a county department or other agency in a particular geographic area or particular tribal unit for certification of child care providers.

County and Tribal Preliminary Allocations

The Contract Year 2017 preliminary child care administration, certification and supplemental fraud allocations for each local agency are shown in Attachment A. These allocations can be used by local agencies for budget purposes.

General Administration Allocation (COrE Contract Code 0852)

For Contract Year 2017, the total General Administration allocation is **\$10,279,561**. Pursuant to Wisconsin Statute § 49.155(3m)(am), this allocation is distributed to local agencies based on unduplicated counts of children served for calendar year 2015; the most recent year for which the information is available. Pursuant to Wisconsin Statute § 49.155(3m)(b), the allocation is at least 95% of the allocation from the previous year and not less than \$20,000. Allocations for the established consortia within the Northern and Western regions will be consolidated and issued to the fiscal agent counties in the 2017 contract documents.

The General Administration allocation must be used for administrative expenses; eligibility and authorization activities; hearings; and other costs related to operation of the Wisconsin Shares child care subsidy program. All expenditures associated with General Administration of the program must be reported on the appropriate reporting lines in COrE. Instructions for reporting can be found on the COrE website: <https://dcfsparc.wisconsin.gov/>

Certification Allocation (COrE Contract Code 0831)

For Contract Year 2017, the total Certification allocation is **\$1,378,557**. Pursuant to Wisconsin Statute § 48.651(2c)(b), this allocation is distributed to local agencies based on previously experienced certification costs. The allocations for each local agency are at least 95% of the allocation from the previous year and not less than \$1,250.

All expenses associated with child care Certification activities must be charged to the appropriate lines in COrE. However, local agencies may request a transfer of funds between General Administration (0852) and Certification (0831) at any time during or 30 days after Contract Year 2017; which is October 31, 2017 for tribes and January 31, 2018 for county departments.

Transfer requests must be submitted in writing to Tracey Brent, the Department of Children and Families, DECE Contract Specialist at: traceyL.brent@wisconsin.gov.

Supplemental Fraud Allocation (COrE Contract Code 0840)

For Contract Year 2017, the total Supplemental Fraud allocation is **\$535,481**. This allocation is distributed to local agencies based on unduplicated counts of children served in calendar year 2015; the most recent year for which the information is available. Each local agency allocation is at least 95% of the allocation from the previous year and not less than \$2,000.

The Supplemental Fraud allocation must be used for expenses associated with child care fraud prevention; fraud identification; and, the calculation and recovery of overpayments. The Fraud allocation (0840) is a separate appropriation and is not interchangeable with General Administration (0852) or Certification (0831). If the local agency's Fraud allocation (0840) is fully expended, the DCF Finance Department will automatically transfer additional expenditures to from reporting lines 0841/8841 to 0846/8846 each month.

Consortia and Regional Service Delivery of Wisconsin Shares

The General Administration (0852) and Supplemental Fraud (0840) allocations for counties located within the Northern and Western Region for Economic Assistance (WREA) income maintenance consortia will be consolidated and issued to the fiscal agent counties in the 2017 contract documents. The Supplemental Fraud (0840) allocations for counties located within the Great Rivers Income Maintenance Consortium will be consolidated and issued to the fiscal agent county in the 2017 contract documents.

Total Child Care Administration, Certification, and Supplemental Fraud

CORE Line	Contract Year 2016 Funding Allocations	Amount
0852	General Administration	\$10,279,561
0831	Certification	\$1,378,557
0840	Supplemental Fraud	\$535,481
	TOTAL	\$12,193,599

Expenditure Reporting

Local agencies must report all child care program expenditures and appropriately report any fees or other program revenues received by the local agency that offset program expenses. CORE reports must be submitted monthly according to the instructions found on the CORE website at: <https://dcfsparc.wisconsin.gov/>

Year End Balancing, Deob-Reob and Closeout

Local agencies must submit final expense reports on CORE no later than 90 days after the end of Contract Year 2017; which is December 31, 2017 for tribes and March 31, 2018 for county departments. Expense reports submitted after that date may be disallowed by the Department.

Following submission of the final expense reports, the Department will balance the Administration and Certification allocations for all agencies pursuant to Wisconsin Statute §49.155(3m)(b)4. This action may de-obligate a local agency's unspent General Administration and Certification funds and redistribute those funds to other local agencies that have unreimbursed allowable Administration and Certification expenditures. The Department will also balance excess fraud expenditures from General Administration if there are unexpended funds in the General Administration allocation. The Department will automatically make these adjustments and there is no requirement that counties or tribes request this change.

ACTION SUMMARY STATEMENT

Tribal contracts will be issued by September 2016. County contracts will be issued by December 2016.

CONTACT:

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Attachment A:
CY/FFY 2017 Child Care Contract Allocations