



Office of Children and Family Services

Andrew M. Cuomo
Governor

52 WASHINGTON STREET
RENSSELAER, NY 12144

Sheila J. Poole
Acting Commissioner

Local Commissioners Memorandum

Transmittal:	18-OCFS-LCM-16 (REVISED March 29, 2019)
To:	Local District Commissioners
Issuing Division/Office:	Division of Child Care Services Division of Administration
Date:	August 20, 2018
Subject:	New York State Child Care Block Grant Subsidy Program Allocations SFY 2018-2019
Contact Person(s):	Please contact the following persons for questions regarding this LCM: <ul style="list-style-type: none">• Program questions Joe Ziegler, OCFS Division of Child Care Services: 518-402-6520 Joe.Ziegler@ocfs.ny.gov• Claiming Questions<ul style="list-style-type: none">○ (Upstate) Lauren Horn: 518-474-7549 Lauren.Horn@otda.ny.gov○ (Downstate) Michael Simon: 212-961-8250 Michael.Simon@otda.ny.gov• WMS/Services Questions Tina McCarthy, OCFS IT Operations: 800-342-3727 Tina.McCarthy@its.ny.gov
Attachments:	A: <i>New York State Child Care Block Grant Local Department of Social Services Allocations</i> B: <i>Maintenance of Effort Level</i> C: <i>Attachment for U.S. Department of Health and Human Services Grants</i>

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, 2018, through March 31, 2019. This LCM also explains the allowable uses for these federal and state funds. The NYSCCBG appropriation for LDSSs for the period April 1, 2018, through March 31, 2019, State Fiscal Year (SFY) 2018-19 is \$806,082,001. More information regarding the new \$10 million appropriation included in the SFY 2018-19 Enacted Budget for the expansion of Child Care Assistance Programs will be issued under separate cover. **This LCM was revised to include *Attachment for U.S. Department of Health and Human Services Grants*, which must be provided to all subrecipients per Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, section 352.**

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, 2018, and ending March 31, 2019. 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, 2018, to September 30, 2018, the last half of FFY 2017-18, and for the period October 1, 2018, to March 31, 2019, the first half of the FFY 2018-19. Previously, 17-OCFS-LCM-11, dated June 26, 2017, notified LDSSs of their NYSCCBG allocations for the first half of FFY 2017-18, October 1, 2017, to March 31, 2018. Any unspent funds allocated for that period will be carried into and be available for the period ending September 30, 2018. Any portion of an LDSS's NYSCCBG allocation for FFY 2017-18 (October 1, 2017 through September 30, 2018) that is not claimed by the LDSS

by March 31, 2019, will remain available to the LDSS through the end of FFY 2018-19 (September 30, 2019). This would include any Temporary Assistance for Needy Families (TANF) funds transferred from an LDSS's SFY 2018-19 Flexible Fund for Family Services (FFFS) allocation for the period April 1, 2018, to September 30, 2018. However, claims for expenditures for October 1, 2017, through September 30, 2018, cannot be rolled forward into the next FFY.

The allocation methodology for SFY 2018-19 determines each LDSS's proportionate share of the block grant funds based on the average level of annual child care claims for FFY 2012-13 through FFY 2016-17. Rollover of unspent NYSCCBG funds is taken into account for those LDSSs that meet both of the following criteria:

- The LDSS's FFY 2016-17 rollover into FFY 2017-18 was more than 15 percent of its FFY 2016-17 NYSCCBG claims; AND
- The LDSS's FFY 2016-17 rollover amount exceeded 75 percent of its FFY 2015-16 rollover amount.

For any LDSS meeting both of the above criteria, the base allocation is first reduced by an amount equal to 40 percent of the rollover amount from FFY 2016-17 into FFY 2017-18 (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 2016-17 NYSCCBG claims exceeded the sum of their SFY 2017-18 base allocations (as adjusted) and FFY 2016-17 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 2018-19 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 2018-19 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. 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 2017-18, 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 2017-18 must be submitted to the New York State Office of Temporary and

Disability Assistance (OTDA) by March 31, 2019. Further information about eligibility and claiming for FFY 2017-18 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. 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 their 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. 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 2017-18 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. The 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 percent" 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 *Benefit Issuance Control Subsystem (BICS) Services Payments Processing (BSPP) 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 central services 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, 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*.

The *Fiscal Reference Manual* is available here:

FRM Vol. 2 – http://otda.state.nyenet/bfdm/finance/FRM_Vol2_Manual.asp

FRM Vol. 3 – http://otda.state.nyenet/bfdm/finance/FRM_Vol3_Manual.asp

/s/ Janice M. Molnar, Ph.D.

Issued by:

Name: Janice M. Molnar Ph.D.

Title: Deputy Commissioner

Division/Office: Division of Child Care Services

/s/ Derek J. Holtzclaw

Issued by:

Name: Derek J. Holtzclaw

Title: Deputy Commissioner

Division/Office: Administration

ATTACHMENT A**NEW YORK STATE CHILD CARE BLOCK GRANT
SOCIAL SERVICES DISTRICT ALLOCATIONS
4/1/2018-3/31/2019**

LDSS	April 1, 2018 September 30, 2018	October 1, 2018 March 31, 2019	Final SFY 2018- 19 Allocation
Albany	\$6,342,045	\$6,342,045	\$12,684,090
Allegany	\$170,567	\$170,567	\$341,134
Broome	\$1,919,712	\$1,919,712	\$3,839,424
Cattaraugus	\$836,261	\$836,261	\$1,672,522
Cayuga	\$695,209	\$695,208	\$1,390,417
Chautauqua	\$1,971,923	\$1,971,922	\$3,943,845
Chemung	\$1,747,003	\$1,747,003	\$3,494,006
Chenango	\$281,730	\$281,730	\$563,460
Clinton	\$463,010	\$463,009	\$926,019
Columbia	\$684,198	\$684,198	\$1,368,396
Cortland	\$393,994	\$393,993	\$787,987
Delaware	\$568,431	\$568,432	\$1,136,863
Dutchess	\$3,396,114	\$3,396,113	\$6,792,227
Erie	\$12,320,000	\$12,319,999	\$24,639,999
Essex	\$201,096	\$201,095	\$402,191
Franklin	\$496,179	\$496,178	\$992,357
Fulton	\$301,536	\$301,536	\$603,072
Genesee	\$549,389	\$549,389	\$1,098,778
Greene	\$245,336	\$245,336	\$490,672
Hamilton	\$0	\$0	\$0
Herkimer	\$464,196	\$464,195	\$928,391
Jefferson	\$729,174	\$729,174	\$1,458,348
Lewis	\$133,861	\$133,861	\$267,722
Livingston	\$725,363	\$725,362	\$1,450,725
Madison	\$370,218	\$370,217	\$740,435
Monroe	\$17,997,771	\$17,997,771	\$35,995,542
Montgomery	\$390,907	\$390,907	\$781,814
Nassau	\$29,079,221	\$29,079,221	\$58,158,442
Niagara	\$1,357,305	\$1,357,304	\$2,714,609
Oneida	\$3,712,814	\$3,712,813	\$7,425,627
Onondaga	\$9,182,508	\$9,182,508	\$18,365,016
Ontario	\$981,715	\$981,715	\$1,963,430

LDSS	April 1, 2018 September 30,2018	October 1, 2018 March 31, 2019	Final SFY 2018- 19 Allocation
Orange	\$3,406,742	\$3,406,742	\$6,813,484
Orleans	\$314,292	\$314,292	\$628,584
Oswego	\$1,152,292	\$1,152,291	\$2,304,583
Otsego	\$396,721	\$396,721	\$793,442
Putnam	\$556,708	\$556,708	\$1,113,416
Rensselaer	\$1,822,078	\$1,822,077	\$3,644,155
Rockland	\$3,947,397	\$3,947,397	\$7,894,794
Saint Lawrence	\$595,131	\$595,130	\$1,190,261
Saratoga	\$872,957	\$872,957	\$1,745,914
Schenectady	\$3,262,869	\$3,262,868	\$6,525,737
Schoharie	\$250,745	\$250,745	\$501,490
Schuyler	\$221,843	\$221,842	\$443,685
Seneca	\$198,283	\$198,283	\$396,566
Steuben	\$1,128,311	\$1,128,310	\$2,256,621
Suffolk	\$16,052,709	\$16,052,708	\$32,105,417
Sullivan	\$852,986	\$852,986	\$1,705,972
Tioga	\$594,619	\$594,620	\$1,189,239
Tompkins	\$887,103	\$887,103	\$1,774,206
Ulster	\$2,037,705	\$2,037,704	\$4,075,409
Warren	\$706,888	\$706,888	\$1,413,776
Washington	\$495,735	\$495,734	\$991,469
Wayne	\$529,067	\$529,066	\$1,058,133
Westchester	\$16,371,251	\$16,371,251	\$32,742,502
Wyoming	\$193,002	\$193,001	\$386,003
Yates	\$128,027	\$128,026	\$256,053
NYC	\$247,356,765	\$247,356,765	\$494,713,530
State Total	\$403,041,012	\$403,040,989	\$806,082,001

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

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

LDSS	MOE Amount	LDSS	MOE Amount
Albany	\$ 1,019,127		
Allegany	68,895	Oneida	\$ 283,468
Broome	518,534	Onondaga	1,204,201
Cattaraugus	34,769	Ontario	73,752
Cayuga	15,101	Orange	32,900
Chautauqua	558,879	Orleans	36,152
Chemung	63,364	Oswego	41,453
Chenango	27,933	Otsego	28,900
Clinton	99,395	Putnam	62,728
Columbia	7,848	Rensselaer	164,819
Cortland	53,422	Rockland	235,830
Delaware	34,955	Saint Lawrence	101,658
Dutchess	193,433	Saratoga	30,127
Erie	1,264,742	Schenectady	228,165
Essex	16,498	Schoharie	12,101
Franklin	26,381	Schuyler	9,515
Fulton	38,407	Seneca	19,292
Genesee	49,813	Steuben	148,022
Greene	20,310	Suffolk	692,326
Hamilton	2,738	Sullivan	28,491
Herkimer	14,318	Tioga	22,049
Jefferson	81,936	Tompkins	70,752
Lewis	11,454	Ulster	208,356
Livingston	76,936	Warren	22,063
Madison	12,147	Washington	32,583
Monroe	4,221,021	Wayne	39,416
Montgomery	11,738	Westchester	1,018,071
Nassau	1,574,621	Wyoming	13,806
Niagara	364,420	Yates	11,683
		New York City	52,937,271
		State Total	68,293,085

ATTACHMENT FOR U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES GRANTS

Title 45 U.S. Code of Federal Regulations Part 75 (45 CFR 75), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards*, section 354(a) states “all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, includes the changes in subsequent subaward identification.”

(i)	Subrecipient Name	Attachment A
(ii)	Subrecipient’s unique entity identifier	County LDSS office
(iii)	Federal Award Identification Number (FAIN)	1701NYCCDF 1801NYCCDF
(iv)	Federal Award Date of award to the recipient by the HHS awarding agency	10/14/2016 (1701NYCCDF) 10/19/2017 (1801NYCCDF)
(v)	Subaward period of Performance start and end date	Section 3.A "Allocation Information"
(vi)	Amount of Federal Funds Obligated to the subrecipient by this action by the pass-through entity to the subrecipient	Attachment A contains allocations from the NYS Child Care Block Grant which consists of State Funds, CCDF Matching, Mandatory and Discretionary funds, and TANF transfers to CCDF Discretionary funds.
(vii)	Total amount of the Federal funds obligated to the subrecipient by the pass-through entity including the current obligation	Attachment A contains allocations from the NYS Child Care Block Grant which consists of State Funds, CCDF Matching, Mandatory and Discretionary funds, and TANF transfers to CCDF Discretionary funds.
(viii)	Total amount of the award committed to the subrecipient by the pass-through entity	Attachment A contains allocations from the NYS Child Care Block Grant which consists of State Funds, CCDF Matching, Mandatory and Discretionary funds, and TANF transfers to CCDF Discretionary funds.
(ix)	Federal award project description	Child Care Discretionary Funds and Child Care Mandatory and Matching Funds comprise the Child Care and Development Fund (CCDF) program. CCDF program funds provide grants to States, Territories, Tribes, and tribal organizations serving federally-recognized tribes (public institutions of higher education and hospitals are not eligible applicants) for child care assistance for low-income families.
(x)	Name of the HHS awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity	Awarding HHS Agency: Administration for Children and families Pass-through: NYS Office of Children and Family Services Awarding official contact information: Clinton McGrane, Grants Officer 26 Federal Plaza Room 4114 New York, NY 10278 212-264-2890 ext. 176
(xi)	CFDA Number and Name	93.575 (Discretionary) 93.596 (Mandatory and Matching)

(xii) Identification of whether the award is Research and Development (R&D)	N
(xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per section 75.414)	Unless otherwise noted, the indirect cost rate is 5.14 percent for State Fiscal Year 2018-19 and will increase to 6.54 percent for State Fiscal Year 2019-20. These rates are provided to OCFS by the New York State Division of the Budget