



Division of Early Care and Education  
**ADMINISTRATOR'S MEMO**

\_\_\_\_\_ ACTION  
  X   NOTICE DECE 18-01

ISSUE DATE: 05/30/18

DISPOSAL DATE: None

**To:** Agency Child Care Program Directors

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

**RE:** 2019 Child Care Contract – Notice of Allocations

**PURPOSE**

This Memo provides notice of the Child Care Administration, Certification and Supplemental Fraud allocations for local agencies for contract year 2019. This Memo does not apply to Milwaukee County.

**BACKGROUND**

Wisconsin State Statute §49.155(3) authorizes 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). Activities included in the administration of child care services include:

- 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
- 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 particular tribal unit for certification of child care providers. The Department also allocates funds under Wisconsin State Statute §49.175(1)(h) to local agencies to investigate suspected fraud.

**Allocations**

The 2019 Child Care Administration contract allocations for each county and tribal agency are presented 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)**

The total Administration allocation for contract year 2019 is **\$10,303,701**. 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 designated fiscal agent.

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

**Certification (0831)**

The total Certification allocation for contract year 2019 is **\$1,338,899**. 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 screening child care certification applications and renewals, site visits, compliance monitoring, complaint processing and issuing certification certificates.

**Supplemental Fraud (0840)**

The total Supplemental Fraud allocation for contract year 2019 is **\$555,500**. 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 designated fiscal agent.

**Total Child Care Administration, Certification and Supplemental Fraud Allocations**

<b>SPARC Line</b>	<b>Contract Year 2019 Allocations</b>	
0852	Administration	\$10,303,701
0831	Certification	\$1,338,899
0840	Supplemental Fraud	\$555,500
	<b>TOTAL</b>	<b>\$12,198,100</b>

**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://dcfparc.wisconsin.gov/resources>.

Agencies may transfer funds between Administration (0852) and Certification (0831) anytime during the contract year until January 31, 2020.

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 90 days following the end of the contract period. Final Tribal expenses are due by December 31<sup>st</sup>, 2019 and final County expenses are due by March 31<sup>st</sup>, 2020. 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 to fully fund the child care administration expenses of each agency to the extent possible with state funding.

**ACTION SUMMARY STATEMENT**

The 2019 contracts will be issued by September 2018.

**CONTACT:**

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Attachment:  
FFY/CY2019 Child Care Contract Allocations