

DEPARTMENT OF SOCIAL SERVICES  
744 P Street, Sacramento, CA 95814



July 10, 1995

ALL-COUNTY LETTER NO. 95-32

TO: COUNTY WELFARE DIRECTORS  
COUNTY GAIN COORDINATORS  
COUNTY CAL-LEARN COORDINATORS  
COUNTY NET COORDINATORS  
COUNTY SCC COORDINATORS  
COUNTY CAAP COORDINATORS

| <u>Reason for this Transmittal</u>  |   |
|-------------------------------------|---|
| <input type="checkbox"/>            | State Law Change                                |
| <input checked="" type="checkbox"/> | Federal Law or Regulation Change                |
| <input type="checkbox"/>            | Court Order                                     |
| <input type="checkbox"/>            | Clarification Requested by One or More Counties |
| <input type="checkbox"/>            | Initiated by CDSS                               |

SUBJECT: CHILD CARE POLICY CONCERNING REGISTRATION FEES

REFERENCE: ALL-COUNTY LETTER (ACL) NO. 92-82

This letter transmits revised policy and forms regarding the payment of child care registration fees in the following programs:

- Greater Avenues For Independence (GAIN) Child Care
- Cal-Learn Child Care
- Non-GAIN Education & Training (NET)
- Supplemental Child Care (SCC)
- California Alternative Assistance Program (CAAP)

A registration fee process was originally developed for the GAIN Child Care Program and released in All-County Letter (ACL) No. 92-82 dated September 18, 1992. The GAIN and Cal-Learn child care programs, which reimburse child care up to the 1.5 standard deviation above the mean level of the Regional Market Rate (RMR) ceilings, require a registration fee process that includes determinations of whether the fee is 1) an allowable child care expense and 2) eligible for federal reimbursement. However, since the NET, SCC, and CAAP programs reimburse child care only up to the 75th percentile level of the RMR ceilings, a secondary registration fee process has been developed to determine whether the fee is an allowable child care expense in these programs.

Furthermore, policy clarification was received from the Department of Health & Human Services (DHHS) which required additional revisions to the process. Former policy, as issued on ACL No. 92-82, stated that when any portion of the registration fee exceeds the RMR, the entire fee was ineligible for payment. However, with clarification from DHHS, policy is now modified to allow counties to consider whatever portion of the registration fee that does not exceed the 75th percentile RMR to be eligible for payment in all of the Title IV-A child care programs.

Enclosed, therefore, is the revised process for determining whether registration fees, which are defined as service, application and/or registration fees charged by licensed child care providers, are an allowable child care expense in the above listed programs.

Enclosure I includes the instructions and the GAIN 62 worksheet for use in the GAIN and Cal-Learn programs which reimburse at the 1.5 RMR ceiling level.

Enclosure II includes the instructions and the SCC 12 worksheet for use in the NET, SCC and CAAP programs which reimburse at the 75th percentile RMR ceiling level.

If you have any questions regarding this letter, contact Ms. Jan DeSilva in Child Care Programs at (916) 654-1768.



BRUCE WAGSTAFF  
Acting Deputy Director  
Welfare Programs Division

Enclosures