



CDSS

WILL LIGHTBOURNE  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



EDMUND G. BROWN JR.  
GOVERNOR

September 5, 2014

COUNTY FISCAL LETTER (CFL) NO. 14/15-16

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY CALWORKS PROGRAM SPECIALISTS  
ALL COUNTY AUDITOR CONTROLLERS  
ALL COUNTY FISCAL OFFICERS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND  
RESPONSIBILITY TO KIDS (CALWORKs) CHILDCARE  
PROGRAM CODES AND CLAIMING GUIDE

REFERENCES: [CFL NO. 13/14-44, DATED MARCH 28, 2014](#)  
[CFL NO. 13/14-29, DATED DECEMBER 31, 2013](#)  
[CFL NO. 12/13-33E, DATED OCTOBER 31, 2013](#)  
[CFL NO. 13/14-04, DATED OCTOBER 01, 2013](#)  
[CFL NO. 13/14-21, DATED SEPTEMBER 30, 2013](#)  
[ALL COUNTY LETTER \(ACL\) NO. 13-70, DATED  
SEPTEMBER 06, 2013](#)  
[CFL NO. 12/13-17, DATED OCTOBER 08, 2012](#)  
[ACL NO. 12-16, DATED APRIL 17, 2012](#)  
[CFL NO. 10/11-76, DATED JULY 8, 2011](#)  
[CFL NO. 10/11-48, DATED JANUARY 12, 2011](#)  
[CFL NO. 10/11-25, DATED OCTOBER 1, 2010](#)

This CFL is a summary of the CalWORKs Child Care program code (PC) clarifications, changes and claiming assistance tools that have been developed throughout the duration of a three year workgroup between the California Department of Social Services (CDSS), the County Welfare Directors' Association and participating representatives of County Welfare Departments (CWDs).

As a continued effort to provide child care claiming assistance, CDSS created the attachments listed below that CWDs may use in order to properly claim CalWORKs Child Care expenditures. This CFL and the attachments update and consolidate claiming instruction from several prior CFLs. The attachments have been developed in the context of the existing CalWORKs program as of the date of this CFL.

- Attachment I entitled “CONSOLIDATION OF CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKs) CHILD CARE RELATED COUNTY FISCAL LETTERS” provides a summary of the Child Care PC and Type of Expense (TOE) code clarifications and changes that have been issued via separate CFLs throughout the duration of the workgroup.
- Attachment II entitled “CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKs) CHILD CARE CLAIMING GUIDE” provides a step-by-step assessment on how to claim costs for child care services received by a CalWORKs recipient. This guide logistically organizes claiming factors such as case type and PC descriptions, Assistance Unit composition and employment status for recipients of child care services.
- Attachment III entitled “STAGE ONE CHILD CARE PROGRAM CODE (PC) VIA CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKs) AID CODE” informs counties of which PC to use for claiming Stage One Child Care costs in accordance with a CalWORKs recipient’s aid code.
- Attachment IV entitled “CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKs) CHILD CARE PROGRAM CODES” provides a consolidated list of all CalWORKs Child Care codes available for claiming, which incorporates all PC and TOE code modifications since the release of CFL 11/12-33, dated January 24, 2012.
- Attachment V entitled “CHILD CARE QUESTION AND ANSWER SUMMARY” provides clarification of specific terms that were discussed throughout the duration of the Child Care workgroup.

The CDSS will continue to assist individual CWDs that experience claiming issues in order to ensure that CalWORKs Child Care expenditures are being claimed correctly.

If you have questions regarding this letter, please direct your questions to [fiscal.systems@dss.ca.gov](mailto:fiscal.systems@dss.ca.gov).

Sincerely,

***Original Document Signed By:***

LILIA A. YOUNG, Chief  
Fiscal Forecasting and Policy Branch

Attachments

## Consolidation of California Work Opportunity and Responsibility to Kids (CALWORKs) Child Care Related County Fiscal Letters (CFL)

This attachment provides an organized list of clarifications and Program Code (PC) changes via separate CFLs issued throughout the duration of the workgroup and serves as a consolidated reference document.

CFL	Page Number	CFL implementation
<a href="#">CFL 10/11-25</a> , dated October 01, 2010	Pages 4 - 5	Revises Type of Expense (TOE) codes 18, 82, 31 and 32 to more clearly identify and separately capture child care provider payments versus contracted administration costs.
<a href="#">CFL 10/11-48</a> , dated January 12, 2011	Pages 9 - 10	New Program Identification Numbers (PINs) available for counties to claim Stage One Child Care services/activities for Safety Net Child Care, Child Care Health and Safety Self-Certification and Child Care Trustline.
<a href="#">CFL 10/11-76</a> , dated July 08, 2011	Entire CFL	Suspension of the CalWORKs Cal-Learn Program for Fiscal Year 2011-12.
<a href="#">CFL 11/12-33</a> , dated January 24, 2012	Entire CFL	List of all Child Care Program Code (PCs) available for claiming.
<a href="#">CFL 11/12-33E</a> , dated April 12, 2012	Entire CFL	Clarification of population description for PC 909.
<a href="#">CFL 12/13-17</a> , dated October 08, 2012	Pages 9 - 10	End of Cal-Learn Program suspension and restoration of original Cal-Learn Child Care PC titles.

<b>CFL</b>	<b>Page Number</b>	<b>CFL Implementation</b>
<a href="#">CFL 12/13-33</a> , dated May 17, 2013	Page 2 and Page 7	List of TOE Codes which includes Child Care TOE codes.
<a href="#">CFL 12/13-33E</a> , dated October 31, 2013	Entire CFL	Correction to Child Care TOE Codes 18 and 82 to align with CFL 10/11-25.
<a href="#">CFL 13/14-04</a> , dated October 01, 2013, and <a href="#">CFL 13/14-21</a> , dated September 30, 2013	Pages 9 - 12  Entire CFL	Implementation of new Child Care claiming codes for Safety Net Child Care Employed Non-Maintenance of Effort (MOE) cases and Safety Net Child Care Unemployed Non-MOE.
<a href="#">CFL 13/14-29</a> , dated December 31, 2013	Pages 8 - 10	Reinstatement of Temporary Assistance for Needy Families Timed-Out Child Care PCs and deletion of PC 900.
<a href="#">CFL 13/14-44</a> , dated March 28, 2014	Pages 12 - 13	Deletion of TOE code 48 from PC 369.

## California Work Opportunity and Responsibility to Kids (CalWORKs) CHILD CARE CLAIMING GUIDE

This attachment is a step-by-step assessment of how to claim costs for child care services received by a CalWORKs recipient. The assessment flow is up to date as of the date of this CFL.

### **Step 1 Is the child in Stage One, Two or Three Child Care?**

- If Stage Three, claim to Program Code (PC) 907 (Stage Three Child Care).
- If Stage Two, claim to PC 905 (Stage Two Child Care).
- If Stage One, proceed to the next step.

### **Step 2 Is the parent in Cal-Learn?<sup>1</sup> If yes, claim as indicated below:**

- If Cal-Learn parent is sanctioned for non-compliance, claim to PC 811 (State Only Cal-Learn Child Care).
- If the Cal-Learn parent is a recent non-citizen entrant<sup>2</sup> (RNE), claim to PC 912 (Non-Federal Cal-Learn Child Care).
- If the Cal-Learn parent is federally eligible for Temporary Assistance to Needy Families (TANF), claim to PC 909 (Cal-Learn Child Care).

### **Step 3 Is the parent in the assistance unit (AU) timed-out<sup>3</sup> of CalWORKs? In other words, is the AU in the Safety Net? If yes, claim as indicated below:**

#### **Non Two-Parent Safety Net AU –**

- If parent is working, claim to PC 368<sup>4</sup> (Safety Net Child Care Employed Non-Maintenance of Effort [MOE]).
- If parent is not working, claim to PC 369 (Safety Net Child Care Unemployed Non-MOE).

#### **Two-Parent<sup>5</sup> Safety Net AU<sup>6</sup> –**

- If both parents are working, claim to PC 368.
- If one parent is working and the other parent is not working, claim to PC 368.
- If both parents are not working, claim to PC 369.

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<sup>1</sup> Cal-Learn parents do not have different work requirements between one versus two parent. Separate - two-parent Cal-Learn codes are not necessary.

<sup>2</sup> RNE is referred to as "Legal Immigrant" in the CalWORKs aid code descriptions.

<sup>3</sup> For an AU in which the parent is timed-out of TANF but not timed-out of CalWORKs, please see Step 5.

<sup>4</sup> CFL 13/14-21, dated September 30, 2013, and CFL 13/14-04, dated October 1, 2013, introduce the new Safety Net Child Care PCs that will replace PCs 053 and 054. The PCs 053 and 054 are still available pending full implementation by each consortia system.

<sup>5</sup> A condition of receiving child care services is that there is not a parent, legal guardian, or adult member of the AU living in the home who is able and available to provide care (Manual of Policies and Procedures section 47-220).

<sup>6</sup> Both parents' CalWORKs 48-month clocks must be exhausted for the AU to be in the Safety Net.

**Step 4** Is this an AU where the parent(s)<sup>5</sup> is an RNE? If parent(s) is not an RNE, continue on to next steps.

- Yes; the parent(s) is an RNE; Claim to PC 903 (Non-Federal Child Care).

**Step 5** Is this an AU where one or both parents<sup>5</sup> are TANF Timed-Out but still eligible for CalWORKs? If yes, claim as indicated below:

- Parent(s) is working, claim to PC 688 (Child Care Timed-Out Families – Employed).
- Parent(s) is not working, claim to PC 692 (Child Care Timed-Out Families – Unemployed).
- One parent is working and the other parent is not working, claim to PC 688.

**Step 6** Is this a Two-Parent AU<sup>5</sup> not meeting any of the above claiming specifications? If yes, claim as indicated below:

- Yes; Claim to PC 036 (Two-Parent Families [State-only] Stage One Child Care).

**Step 7** Non Two-Parent AU: Is this AU receiving Stage One Child Care and not meeting any of the above claiming specifications? If yes, proceed below:

- Yes; Claim to PC 453 (Stage One Child Care).

## STAGE ONE CHILD CARE PROGRAM CODE (PC) VIA California Work Opportunity and Responsibility to Kids (CalWORKs) AID CODE

The chart below provides CalWORKs aid code descriptions, PC titles and Program Identifier Numbers (PINs) to assist counties with identifying which Stage One Child Care PCs to claim to in accordance with the CalWORKs aid codes. This claiming guide assumes child care is not Stage Two or Stage Three and parent is not in Cal-Learn. Parents in Cal-Learn are embedded in the CalWORKs aid codes. This claiming guide is up to date as of the date of this County Fiscal Letter (CFL).

AID CODE	AID CODE DESCRIPTION	PC (TITLE) PROGRAM IDENTIFIER NUMBER (PIN)
<b>TWO-PARENT FAMILIES</b>		
<b>3C</b>	<p><b>Safety Net Two-Parent Families CalWORKs Timed-Out, Child-Only Cases:</b> This code is to be used for all cases in this category regardless of the family's citizenship prior to timing out (e.g., two-parent legal non-citizen, two-parent legal non-citizen mixed cases)<sup>1</sup>.</p>	<p><b>PC 053 (Safety Net Child Care-Non Assistance)</b> PIN 053082 – Child Care Services/Employed PIN 053032 – Contracted Activities/Employed</p> <p><b>PC 054 (Safety Net Child Care-Assistance)</b> PIN 054018 – Child Care Services/Unemployed PIN 054031 – Contracted Activities/Unemployed</p>
<b>3F</b>	<p><b>Two-Parent Safety Net, Drug Felon and Fleeing Felon Child-Only Cases:</b> CalWORKs cases that include two or more un-aided Safety Net, drug felon or fleeing felon adult parents and at least one aided child. This code provides for continued cash aid and Medi-Cal coverage for children whose parents have been discontinued from, or are ineligible for, cash aid due to their status as a Safety Net adult, or whose parents are subject to the drug felon or fleeing felon ineligibility rules<sup>2</sup>.</p>	<p><b>PC 368 (Safety Net Child Care Employed Non-Maintenance of Effort [MOE])</b> PIN 368082 – Child Care Services/Employed PIN 368032 – Contracted Activities/Employed</p> <p><b>PC 369 (Safety Net Child Care Unemployed Non-MOE)</b> PIN 369018 – Child Care Services/Unemployed PIN 369031 – Contracted Activities/Unemployed</p>

<sup>1</sup> Aid code 3C will be deleted pending full implementation of aid code 3F in each consortia.

<sup>2</sup> All County Letter (ACL) 13-70, dated September 6, 2013, introduced this new aid code; claiming instructions were introduced in CFL 13/14-21, dated September 30, 2013.

AID CODE	AID CODE DESCRIPTION	PC (TITLE) PROGRAM IDENTIFIER NUMBER (PIN)
<b>TWO-PARENT FAMILIES</b>		
<b>3M</b>	<b>CalWORKs Legal Immigrants – Two-Parent Families:</b> Includes individuals who do not meet the federal requirements of a qualified alien and who entered the United States on or after August 22, 1996. Provides aid to two-parent families meeting the definition in <b>aid code 35</b> .	<b>PC 903 (Non-Federal Child Care)</b> PIN 903018 – Child Care Services/Unemployed PIN 903082 – Child Care Services/Employed PIN 903031 – Contracted Activities/Unemployed PIN 903032 – Contracted Activities/Employed
<b>3U</b>	<b>CalWORKs – Legal Immigrants – Two-Parent Families Mixed Cases:</b> Two-parent families meeting the definition of <b>aid code 3E</b> .	<b>PC 903 (Non-Federal Child Care)</b> PIN 903018 – Child Care Services/Unemployed PIN 903082 – Child Care Services/Employed PIN 903031 – Contracted Activities/Unemployed PIN 903032 – Contracted Activities/Employed
<b>35</b>	<b>CalWORKs Two-Parent Families:</b> Assistant Unit includes two aided, natural or adoptive parent of the same aided or Supplementary Security Income/State Supplementary Payment minor child (living in the home), unless both parents are aided minors and neither is the head-of-household.	<b>PC 036 (Two-Parent Families [State Only] Stage One Child Care)</b> PIN 036018 – Child Care Services/Unemployed PIN 036082 – Child Care Services/Employed PIN 036031 – Contracted Activities/Unemployed PIN 036032 – Contracted Activities/Employed



AID CODE	AID CODE DESCRIPTION	PC (TITLE) PROGRAM IDENTIFIER NUMBER (PIN)
<b>NON TWO-PARENT FAMILIES</b>		
<b>3A</b>	<p><b>Safety Net All Families – CalWORKs Timed-out, Child-Only Cases:</b> This code is to be used for all cases in this category regardless of the family’s citizenship prior to timing out (e.g., legal non-citizen, legal non-citizen mixed cases)<sup>3</sup>.</p>	<p><b>PC 053 (Safety Net Child Care-Non Assistance)</b> PIN 053082 – Child Care Services/Employed PIN 053032 – Contracted Activities/Employed</p> <p><b>PC 054 (Safety Net Child Care-Assistance)</b> PIN 054018 – Child Care Services/Unemployed PIN 054031 – Contracted Activities/Unemployed</p>
<b>K1</b>	<p><b>Single-Parent Safety Net, Drug Felon and Fleeing Felon Child-Only Cases:</b> CalWORKs cases that include a single, un-aided Safety Net, drug felon or fleeing felon adult parent (and no other aided adults in the AU) and at least one aided child. This code provides for continued cash aid and Medi-Cal coverage for children whose parent is discontinued from, or is ineligible for, cash aid due to his/her status as a Safety Net adult, or whose parent is subject to the drug felon or fleeing felon ineligibility rules<sup>4</sup>.</p>	<p><b>PC 368 (Safety Net Child Care Employed Non-MOE)</b> PIN 368082 – Child Care Services/Employed PIN 368032 – Contracted Activities/Employed</p> <p><b>PC 369 (Safety Net Child Care Unemployed Non-MOE)</b> PIN 369018 – Child Care Services/Unemployed PIN 369031 – Contracted Activities/Unemployed</p>
<b>3E</b>	<p><b>CalWORKs – Legal Immigrants – All Families Mixed Cases:</b> Aided individuals in a household that has at least one federally eligible and at least one non-federally eligible individual. The non-federally eligible individual does not meet the requirements of a qualified alien and entered the United States on or after August 22, 1996. Provides aid to families meeting the definition of all families.</p>	<p><b>PC 903 (Non-Federal Child Care)</b> PIN 903018 – Child Care Services/Unemployed PIN 903082 – Child Care Services/Employed PIN 903031 – Contracted Activities/Unemployed PIN 903032 – Contracted Activities/Employed</p>

<sup>3</sup> Aid code 3A will be deleted, pending full implementation of aid code K1 in each consortia.

<sup>4</sup> ACL 13-70, dated September 6, 2013, introduced this new aid code; claiming instructions were introduced in CFL 13/14-21, dated September 30, 2013.

AID CODE	AID CODE DESCRIPTION	PC (TITLE) PROGRAM IDENTIFIER NUMBER (PIN)
<b>NON TWO-PARENT FAMILIES</b>		
<b>3L</b>	<p><b>CalWORKs Legal Immigrants- All Families:</b> Includes individuals who do not meet the federal requirements of a qualified alien and who entered the United States on or after August 22, 1996. Provides aid to eligible CalWORKs families meeting the definition of all families.</p>	<p><b>PC 903 (Non-Federal Child Care)</b>            PIN 903018 – Child Care Services/Unemployed            PIN 903082 – Child Care Services/Employed            PIN 903031 – Contracted Activities/Unemployed            PIN 903032 – Contracted Activities/Employed</p>
<b>3P</b>	<p><b>CalWORKs All Families Exempt:</b> Same as aid code 30 except this population is exempt from Temporary Assistance for Needy Families (TANF) grant reductions.</p>	<p><b>PC 453 (Stage One Child Care)</b>            PIN 453018 – Child Care Services/Unemployed            PIN 453082 – Child Care Services/Employed            PIN 453031 – Contracted Activities/Unemployed            PIN 453032 – Contracted Activities/Employed</p>
<b>3W</b>	<p><b>TANF Timed-Out – Legal Immigrants – Mixed Cases:</b> Adult is timed out of TANF but has CalWORKs eligibility. Family includes at least one non-federally eligible individual.</p>	<p><b>PC 903 (Non-Federal Child Care)</b>            PIN 903018 – Child Care Services/Unemployed            PIN 903082 – Child Care Services/Employed            PIN 903031 – Contracted Activities/Unemployed            PIN 903032 – Contracted Activities/Employed</p>
<b>30</b>	<p><b>CalWORKs All Other Families:</b> Families who do not meet the Two-Parent definition and are federally eligible.</p>	<p><b>PC 453 (Stage One Child Care)</b>            PIN 453018 – Child Care Services/Unemployed            PIN 453082 – Child Care Services/Employed            PIN 453031 – Contracted Activities/Unemployed            PIN 453032 – Contracted Activities/Employed</p>
<b>32</b>	<p><b>TANF Timed-out cases:</b> Families in which the head-of-household or spouse of head-of-household has received Federal TANF assistance for 60 cumulative months and continues to be eligible for CalWORKs assistance.</p>	<p><b>PC 688 (TANF Timed-Out Child Care – Employed)</b>            PIN 688082 – Child Care Services/Employed            PIN 688032 – Contracted Activities/Employed</p> <p><b>PC 692 (TANF Timed-Out Child Care - Unemployed)</b>            PIN 692018 – Child Care Services/Unemployed            PIN 692031 – Contracted Activities/Unemployed</p>

## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

This attachment provides an update to County Fiscal Letter 11/12-33, dated January 24, 2012, of all Child Care PCs and Type of Expense (TOE) codes available for claiming. All PC modifications have been incorporated into this attachment and the changes are shown as underline or strikethrough. This attachment is current as of the date of this County Fiscal Letter (CFL).

### **PC 036 - Two-Parent Families (State Only) Stage One Child Care**

This includes costs associated with the provision of child care services for Two-Parent families when both parents are simultaneously participating in an approved CalWORKs work activity or where one adult is unavailable or unable to participate in an approved CalWORKs work activity. Please note that this PC is for all other Two-Parent families, excluding non-federal child care, Cal-Learn individuals, Safety Net families and Temporary Assistance for Needy Families (TANF) Timed-Out families. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost Program Identifier Numbers (PINs) are available for PC 036:

- 036018 Child Care Services - Unemployed
- 036031 Contracted Activities - Unemployed
- 036032 Contracted Activities - Employed
- 036082 Child Care Services - Employed
- 036088-91 Support Operating Direct Charge Costs
- 036092 Casework OT/CTO Costs
- 036093 Support Staff OT/CTO Costs
- 036094 Start Up/Non-recurring Costs

**NOTE:** Child care payments for unemployed former recipients should also be claimed to this PC.

### **PC 368 - Safety Net Child Care Employed Non-Maintenance of Effort (MOE)**

This includes case management and related activities provided to employed Safety Net families, but are not limited to: determining exemptions; arranging for the participant's entry into the Welfare-to-Work (WTW) component; referring clients to Tribal TANF for securing child care slots; arranging child care purchase of service contracts; matching participant needs to available services; authorizing or calculating child care payments and registration fees; preparing Notices of Action; coordinating overpayment grant adjustments with the caseworker; fraud referrals; coordinating or consulting with other child care delivery systems; reviewing and verifying of self-certification forms; maintaining records for parental complaints; and referral and verification activities in conjunction with local resource and referral agencies for families that select a license

## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

exempt child care provider under CalWORKs. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 368<sup>1</sup>:

- 368032 Contracted Activities - Employed
- 368082 Child Care Services - Employed
- 368088-91 Support Operating
- 368092 Casework OT/CTO Costs
- 368093 Support Staff OT/CTO Costs
- 368094 Startup/Non-recurring Costs

### **PC 369 - Safety Net Child Care Unemployed Non-MOE**

This includes case management and related activities provided to unemployed Safety Net families, but are not limited to: determining exemptions; arranging for the participant's entry into the WTW component; referring clients to Tribal TANF for securing child care slots; arranging child care purchase of service contracts; matching participant needs to available services; authorizing or calculating child care payments and registration fees; preparing Notices of Action; coordinating overpayment grant adjustments with the caseworker; fraud referrals; coordinating or consulting with other child care delivery systems; reviewing and verifying of self-certification forms; maintaining records for parental complaints; and referral and verification activities in conjunction with local resource and referral agencies for families that select a license exempt child care provider under CalWORKs. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 369<sup>2</sup>:

- 369018 Child Care Services - Unemployed
- 369031 Contracted Activities - Unemployed
- 369088-91 Support Operating Direct Charge Costs

### **PC 453 - Stage One Child Care**

This includes costs associated with the provision of child care services to those individuals who are newly working or beginning participation in a work activity while receiving TANF assistance payments. Child care services are provided under Stage One until the county determines that the family's child care situation is stable and

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<sup>1</sup> CFL 13/14-21, dated September 30, 2013, and CFL 13/14-04, dated October 1, 2013, introduce PC 368 that will replace PC 053. The PC 053 is still available pending full implementation by each consortia system.

<sup>2</sup> CFL 13/14-21, dated September 30, 2013, and CFL 13/14-04, dated September 30, 2013, introduce PC 369 that will replace PC 054. The PC 054 is still available pending full implementation by each consortia system.

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a Stage Two slot is available. Please note that this PC is for all other non-two-parent families, excluding non-federal child care, Cal-Learn individuals, Safety Net families and TANF Timed-Out families. The sharing ratio for this program is 100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 453:

- 453018 Child Care Services - Unemployed
- 453031 Contracted Activities - Unemployed
- 453032 Contracted Activities - Employed
- 453082 Child Care Services - Employed
- 453088-91 Support Operating Direct Charge Costs
- 453092 Casework OT/CTO Costs
- 453093 Support Staff OT/CTO Costs
- 453094 Start Up/Non-recurring Costs

**NOTE:** Child care payments for **employed** former CalWORKs recipients previously receiving aid under the **all other families aid codes** may be claimed here. **Employed** former recipients should be charged to the PC which aligns with the recipient's former aid code.

### **PC 811 - State Only Cal-Learn Child Care**

Effective with the June 1999 quarter, State-Only Cal-Learn Child Care for sanctioned Cal-Learn teen parents, have been established to capture activities related to the provision of child care services for the sanctioned Cal-Learn cases and those Assistance Units that contain a sanctioned Cal-Learn teen parent who are eligible for services. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 811:

- 811018 Child Care Services - Unemployed
- 811031 Contracted Activities - Unemployed
- 811032 Contracted Activities - Employed
- 811082 Child Care Services - Employed
- 811088-91 Support Operating Direct Charge Costs
- 811092 Casework OT/CTO Costs
- 811093 Support Staff OT/CTO Costs
- 811094 Start Up/Non-recurring Costs

### **PC 903 - Non-Federal Child Care**

The state continues to provide state-funded aid to recent non-citizen entrants (RNEs) who are not federally eligible for TANF assistance. This population is defined as individuals who meet the federal requirements of a qualified alien but entered the United States on or after August 22, 1996, or meet the eligibility requirement of an alien

## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

as described in the California Department of Social Services Eligibility and Assistance Standards (EAS) Manual 42-431. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 903:

- 903018 Child Care Services - Unemployed
- 903031 Contracted Activities - Unemployed
- 903032 Contracted Activities - Employed
- 903082 Child Care Services - Employed
- 903088-91 Support Operating Direct Charge Costs
- 903092 Casework OT/CTO Costs
- 903093 Support Staff OT/CTO Costs
- 903094 Start Up/Non-recurring Costs

### **PC 905 - Stage Two Child Care**

This is funded through the California Department of Education (CDE) and serves those individuals who are working or participating in a work activity while on aid once it is determined that they are in a stable situation, and those transitioning off aid due to increased employment. PC 905 permits counties who are Alternative Payment Program (APP) providers to identify their Stage Two Child Care costs, via the child care function on the County Expense Claim (CEC). The CDE is the responsible State agency for administering Stage Two Child Care, which includes reimbursement of costs associated with securing child care slots. Stage Two is funded through the Child Care and Development Fund (CCDF), with state and local MOE requirements. Since Stage Two Child Care is funded through CDE; there is no need to identify the costs as "assistance" or "non-assistance." The sharing ratio for this program is 00/00/00/100 (Federal/State/Health/County). The following direct cost PINs are available for PC 905:

- 905018 Child Care Services – Employed/Unemployed
- 905031 Contracted Activities – Employed/Unemployed
- 905088-91 Support Operating Direct Charge Costs
- 905093 Support Staff OT/CTO Costs
- 905094 Start Up/Non-recurring Costs

### **PC 907 - Stage Three Child Care**

This is funded through CDE and serves those who are transitioning off aid and the working poor. PC 907 permits counties who are APP providers to identify all Stage Three Child Care costs via the child care function on the CEC. The CDE is the responsible state agency for administering and reimbursing Stage Three Child Care. Stage Three is funded through the CCDF with state and local MOE requirements.

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Since Stage Three Child Care is funded through CDE, there is no need to identify the costs as "assistance" or "non-assistance." The sharing ratio for this program is 00/00/00/100 (Federal/State/Health/County). The following direct cost PINs are available for PC 907:

- 907018 Child Care Services – Employed/Unemployed
- 907031 Contracted Activities – Employed/Unemployed
- 907088-91 Support Operating Direct Charge Costs
- 907092 Casework OT/CTO Costs
- 907093 Support Staff OT/CTO Costs
- 907094 Start Up/Non-recurring Costs

### **PC 909 - Cal-Learn Child Care**

The Cal-Learn Child Care program is for custodial teen parents, age 19 or younger, who have not obtained a high school diploma or the equivalent. PC 909 captures the costs of providing child care for those Cal-Learn Teen Parent participants who are receiving TANF assistance payments. The sharing ratio for this program is 100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 909:

- 909018 Child Care Services - Unemployed
- 909031 Contracted Activities - Unemployed
- 909032 Contracted Activities - Employed
- 909082 Child Care Services - Employed
- 909088-91 Support Operating Direct Charge Costs
- 909092 Casework OT/CTO Costs
- 909093 Support Staff OT/CTO Costs
- 909094 Start Up/Non-recurring Costs

### **PC 912 - Non-Federal Cal-Learn Child Care**

Non-Federal Cal-Learn Child Care is available to capture activities related to the provision of child care services for recent non-citizen entrants who remain eligible under the CalWORKs WTW Program as state-only cases. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 912:

- 912018 Child Care Services - Unemployed
- 912031 Contracted Activities - Unemployed
- 912032 Contracted Activities - Employed
- 912082 Child Care Services - Employed
- 912088-91 Support Operating Direct Charge Costs

## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

912092 Casework OT/CTO Costs  
912093 Support Staff OT/CTO Costs  
912094 Start Up/Non-recurring Costs

### **PC 906 - Child Care Capacity Building Program**

With the implementation of CalWORKs, it became necessary to expand the availability of child care statewide with the recruitment of additional licensed child care providers, and to provide quality improvement training for both licensed and license-exempt child care providers. The continuing focus of the Capacity Building Program is on recruitment, providing incentives for participants to become licensed, quality improvement, supportive efforts to improve communications with providers, and ongoing coordination. The sharing ratio for this program is 100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 906:

906031 Contracted Activities – Employed/Unemployed  
906088-91 Support Operating Direct Charge Costs  
906092 Casework OT/CTO Costs  
906093 Support Staff OT/CTO Costs  
906094 Start Up/Non-recurring Costs

### **PC 901 - Child Care Health and Safety Self Certification**

License-exempt child care providers must self-certify that they meet the health and safety requirements of the CCDF. The self-certification process is used to gather information from child care providers confirming that they meet the minimum health and safety standards. The CCDF health and safety requirements apply to all child care programs. Aunts, uncles, and grandparents of the child in care are exempt from these requirements. The sharing ratio for this program is 100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 901:

901031 Contracted Activities - Unemployed  
901032 Contracted Activities - Employed  
901088-91 Support Operating Direct Charge Costs  
901092 Casework OT/CTO Costs  
901093 Support Staff OT/CTO Costs  
901094 Start Up/Non-recurring Costs



## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

### **PC 902 - Child Care Trustline**

The Trustline system is a registry of license-exempt child care providers who have had their backgrounds checked by the California Department of Justice to ensure they do not have disqualifying criminal convictions and/or records of substantiated child abuse. License-exempt child care providers are required to be Trustline registered in order to be eligible for payment (either directly or through reimbursement to the parent) if they care for the children of a CalWORKs eligible family. Providers who are the aunts, uncles, or grandparents of the child in care are exempt from the Trustline requirement. The sharing ratio for this program is 100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 902:

- 902031 Contracted Activities - Unemployed
- 902032 Contracted Activities - Employed
- 902088-91 Support Operating Direct Charge Costs
- 902092 Casework OT/CTO Costs
- 902093 Support Staff OT/CTO Costs
- 902094 Start Up/Non-recurring Costs

### **PC 160 - Child Care Development Program**

The Child Care and Development Program is a subsidy program for low-income working families administered by CDE with participating counties via a contract. The funds are available to reimburse the California Welfare Department for costs directly related to the provision of services set forth in each county's individual agreement with CDE. The sharing ratio for this program is 00/00/00/100 (Federal/State/Health/County). The following direct cost PINs are available for PC 160:

- 160018 Child Care Services – Employed/Unemployed
- 160088-91 Support Operating Direct Charge Costs
- 160092 Casework OT/CTO Costs
- 160093 Support Staff OT/CTO Costs
- 160094 Start Up/Non-recurring Costs

### **PC 688 -TANF Timed-Out Families – Employed**

Captures expenditures provided to employed individuals who have exceeded their 60-month on TANF assistance as defined in 45 CFR 260.31. The sharing ratio for this program is 00/100/00/00 (Federal/State/Health/County). The following direct cost PINs

## California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program Codes (PC)

are available for PC 688:

- 688032 Contracted Activities - Employed
- 688082 Child Care Services - Employed
- 688088-91 Support Operating Direct Charge Costs
- 688092 Casework OT/CTO Costs
- 688093 Support Staff OT/CTO Costs
- 688094 Start Up/Non-recurring Costs

### **PC 692 - TANF Timed-Out Families – Unemployed**

Captures expenditures provided to unemployed individuals who have exceeded their 60-month on TANF assistance as defined in 45 CFR 260.31. The sharing ratio for this program is 00/100/00/00/00 (Federal/State/Health/County). The following direct cost PINs are available for PC 692:

- 692018 Child Care Activities - Unemployed
- 692031 Contracted Services - Unemployed
- 692088-91 Support Operating Direct Charge Costs

## Child Care Question and Answer Summary

This attachment provides questions and answers as well as clarification for specific terms that were discussed throughout the duration of the Child Care Claiming Codes workgroup. The answers contained within this attachment are up to date as of the date of this County Fiscal Letter (CFL).

### 1. **What are the definitions of assistance and non-assistance for the California Work Opportunity Responsibility to Kids (CalWORKs) program? What is unique about child care payments within the CalWORKs program?**

The 45 Code of Federal Regulations (CFR) section 260.31 provides guidance for the difference between assistance and non-assistance.

#### **Assistance**

Includes cash payments, vouchers, and other forms of benefits which are designed to meet a family's ongoing need (i.e. food, clothing, shelter, utilities, household goods, personal care items and general incidental expenses) when these benefits:

- Are provided in the form of payments by a Temporary Assistance for Needy Families (TANF) agency or other agency on its behalf, to individual recipients.
- Are conditioned on participation in work experience or community service (or any other work activity under 45 CFR 261.30).
- Include supportive services such as transportation and child care provided to families who are **not employed** unless excluded in the non-assistance guidance below.

#### **Non-Assistance**

Includes non-recurrent and short-term benefits that:

- Are designed to deal with a specific crisis or episode of need.
- Will not extend beyond four months.
- Are work subsidies (i.e. payments to employers or third parties to help cover the costs of employee wages, benefits, supervision and training).
- Are supportive services such as child care and transportation to families that are **employed**.
- Are services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support.
- Are transportation benefits provided under a Job Access or Reverse Commute project to an individual who is not otherwise receiving assistance.

CalWORKs child care payments are unique payments given the definitions provided above. Child care supportive services are considered assistance when the family receiving the services is not employed. Child care supportive services for employed families are considered non-assistance. Because of this distinction and federal reporting requirements, child care payments must be claimed to the appropriate Program Code (PC) and/or Type of Expense (TOE) code.

**2. What is the definition of employment?**

The Manual of Policy and Procedure (MPP) section 42-701.2(e)(1) defines employment as work that is compensated at least at the applicable state or federal minimum wage. If neither wage rate applies, the work must be compensated in an amount equivalent to the lesser of the two.

**3. Is there a Federal definition of employment?**

There is no Federal definition of employment. Per federal guidance in the [TANF Program Policy Questions and Answers](#), the definition of employment is based on standards set by the states. Employment activities can include unsubsidized and subsidized employment, work study, supported work and transitional employment, and grant-based on-the-job training as described in the TANF Work Verification Plan contained in [All County Letter \(ACL\) 09-07](#), dated March 5, 2009.

**4. Is there a minimum amount of hours a participant needs to work in order to be considered “employed” and therefore, child care services considered non-assistance?**

In the CalWORKs program, there is no threshold for hours worked that qualifies a participant as either employed or unemployed. If a person needs child care services in order to participate in her employment activity, then costs should be claimed to the appropriate PC and/or TOE for employed (non-assistance). In situations where the participant is attending school and/or volunteering and is also engaged in an employment activity, then child care services are going to an employed participant and should be claimed as employed (non-assistance).

**5. What is the definition of Safety Net? Can Safety Net families receive child care?**

Definition of a CalWORKs Safety Net Family: A family in which all adults have been removed from the Assistance Unit (AU) for reaching the CalWORKs 48-month time limit and in which any children are still receiving cash aid.

Safety Net families are treated as former CalWORKs clients and can receive child care services in accordance with the following regulations:

- The MPP section 47-110(f)(3) defines a former CalWORKs client as, "...an individual who received cash aid under CalWORKs in the prior 24 months and needs child care to continue his or her employment or fulfill his or her county-approved program activity."
- Pursuant to Education Code (EC) section 8353(a) and MPP section 47-230.14, former CalWORKs recipients are eligible to receive child care services in Stage One and Stage Two for up to 24 months after they leave cash aid, or until they are otherwise ineligible within that 24-month period.

Pursuant to EC section 8351(c), former CalWORKs recipients who cannot be transitioned from the first stage of child care because no funded slot is available are eligible to receive the Stage One and any subsequent Stage Two child care services for up to a total of 24 months after they leave cash aid, or until they are otherwise ineligible within that 24-month period. Family size and income for purposes of determining eligibility and family fee shall be determined pursuant to EC sections 8263 and 8263.1. This is not dependent on county option.

#### **6. Who is considered a former recipient?**

The MPP section 47-110(f)(3) defines a former CalWORKs recipient as an individual who received cash aid under CalWORKs in the prior 24 months and needs child care to continue his or her employment or fulfill his or her county-approved program activity. This includes but is not limited to: adults in the AU who have exhausted their 48-month clock; sanctioned adults in the AU; families who are no longer eligible for cash aid due to employment earnings; and fleeing felons who, prior to becoming a fleeing felon, were previously aided within the last 24 months.

#### **7. Are "former recipients" the same as "timed-out" recipients?**

While timed-out recipients are considered former recipients, not all former recipients are "timed-out." A former CalWORKs client is an individual who received cash aid under CalWORKs in the prior 24 months and needs child care to continue his or her employment or fulfill his or her county-approved program activity pursuant to MPP section 47-110 (f)(3). A timed-out person is a former recipient who is no longer eligible to receive CalWORKs because they have exhausted their 48 months of CalWORKs cash aid. Pursuant to MPP section 42-301.1, effective July 1, 2011, there shall be a 48-month time limit on the receipt of aid in California for certain adults as specified in MPP section 42-302.1. Prior to this date, there was a 60-month time limit on the receipt of aid for certain adults.

#### **8. Can drug and fleeing felons receive child care services?**

Per MPP section 82-832(h) and (j) drug and fleeing felons are part of an excluded population that is ineligible for CalWORKs cash aid and any services for which the payment qualifies as TANF assistance. There are unique instances when a

CalWORKs recipient may become a drug or fleeing felon while on CalWORKs cash aid and consequently, the recipient may no longer receive TANF assistance. If a drug or fleeing felon previously on cash aid within the last 24 months can be considered a former recipient in accordance with MPP section 47-110(f)(3), then child care costs for this population must be claimed to PC 368 – Safety Net Child Care Non-Assistance, PC 905 – Stage Two or PC 907 – Stage Three, as appropriate. Under no circumstances may any payments for child care services received by the drug and fleeing felon population be claimed to codes that could qualify the payment as a TANF assistance payment under 45 CFR 260.31.

Effective April 1, 2015, drug felons will be eligible for CalWORKs. Additional information regarding the changes in eligibility for CalWORKs related to drug felons will be released in future All County Letters (ACLs) and CFLs.

**9. Under the Program Code Description (PCD) for PC 811 – State Only Cal-Learn Child Care, what does sanction mean?**

A sanction in the Cal-Learn program refers to the monetary penalty imposed on the CalWORKs cash grant when a teen submits an unsatisfactory report card or progress report. Per W&IC section 11333.7(d) and (e), the Cal-Learn program imposes a monetary sanction on participants who submit a report card with less than a 2.0 grade point average or failure to submit a report card/progress report within the quarter. The sanction amount is \$100 and it is applied to the AU in a consecutive two month period, not to exceed \$50 per month.

**10. Do expenditures for Two-Parent Cal-Learn cases need to be claimed separately from other Cal-Learn cases?**

Expenditures for Two-Parent Cal-Learn cases must be claimed to the existing Cal-Learn PCs. There is no distinction between work requirements for Two-Parent Cal-Learn cases and non-Two-Parent Cal-Learn cases. Pursuant to MPP section 42-711.21, Cal-Learn participants are excluded from participation in WTW activities; therefore, Two-Parent Cal-Learn families do not need to be tracked separately.

**11. What TOE codes should be used when services are contracted out?**

In order to separate contract administration costs and direct provider payments, counties who contract out their child care services should be utilizing all four TOE codes identified in [CFL No. 10/11-25](#), dated October 1, 2010. The cost of Stage One child care paid to child care providers are to be claimed to TOE codes 18 and 82. The administration costs paid to an alternative payment program contracted to administer Stage One child care should be captured using TOE codes 31 and 32.

**12. Is subsidized employment considered employment?**

Yes, subsidized employment is considered employment for WTW participation requirements. Pursuant to MPP section 42-701.2(s)(2), subsidized employment is identified as employment in which the WTW participant's employer is partially or wholly reimbursed for wages and/or training costs.

**13. Is "state-only" the same as "non-federal" for Cal-Learn claiming?**

For the Cal-Learn claiming PCs, state-only means that the Cal-Learn parent is sanctioned for non-compliance, whereas non-federal means that the Cal-Learn parent is a recent non-citizen entrant (RNE).

**14. For a mixed household with a nested teen parent, which family unit takes precedence in determining the appropriate PC?**

Per MPP section 89-201, it should be the senior parent's AU.

**15. Please clarify what populations are included in PC 453 – Stage One child care.**

The PC 453 is meant to cover child care costs for all other families, excluding Two-Parent families, RNEs, Cal-Learn individuals, Safety Net families and TANF Timed-Out families. Employed former CalWORKs recipients previously receiving aid under the all other families aid codes may also be claimed here.

**16. Can PC 453 be used for employed former recipients who are Two-Parent families?**

No, employed former recipients should be charged to the PC which aligns with the recipient's former aid code. Unemployed former recipients and employed former recipient Two-Parent families shall continue to be claimed under PC 036.

**17. Why are unemployed former recipients claimed in PC 036, which is also the PC for Two-Parent Families?**

Child care services to unemployed former recipients have historically been claimed to PC 036 because this population must be charged to a general fund code. Since PC 036 is funded with 100 percent general fund and unemployed former recipients must be funded with general fund, they are claimed to PC 036. There is no need to separate out expenditures for this population and the Two-Parent Families population at this point in time. Please note that employed former recipients should be claimed to the PC which aligns with the recipient's former aid code.

**18. Are PC 902 – Trustline and PC 901 – Child Care Health & Safety Self-Certification used for Stage One, Two, Three or all?**

The PC 901 and 902 are used for Stage One child care. Please reference [CFL 10/11-48](#) for claiming instructions.

**19. How is Trustline accounted for in California Department of Social Services (CDSS) budgeting? Why does it need to be tracked separately?**

- It is necessary to track Trustline expenditures separately because the Trustline budget is built based on actual Trustline expenditure data reported by counties. To ensure an appropriate level of funding, it is necessary for counties to correctly claim their Trustline expenditures. Properly claiming these expenditures will ensure counties are not under-budgeted for Trustline expenses.
- County administrative costs for Self-Certification are to be reported under PC 901 and costs for Trustline are to be reported under PC 902.

Additional information is available on the [CDSS Local Assistance 2014 May Revision Estimate](#) (please reference page 125).

**20. Can PCs 036 and 053 be combined?**

The PC 036 – Two-Parent Families [State-Only] Stage One and PC 053 – Safety Net Child Care Non-Assistance captures expenditures for two different populations that need to be isolated. Currently, the CalWORKs program is undergoing a move-out of the Safety Net population, creating a solely state-funded program. (Please see [ACL No. 13-70](#)). If these two PCs were combined, Safety Net services expenditures would be mixed with Two-Parent family expenditures and it would not have been possible to identify Safety Net costs for the solely state-funded program.

**21. Can PC 053 and 054 be combined?**

The PC 053 – Safety Net Child Care Non-Assistance and PC 054 – Safety Net Child Care – Assistance have historically been separate PCs. As outlined in [CFL 13/14-21](#), all expenditures for the Safety Net population are paid for through a solely state-funded program not subject to federal reporting requirements. The CDSS is, therefore, considering combining the two codes (PC 368 and PC 369) discussed in CFL 13/14-21, that will replace PC 053 and PC 054, respectively. If no issues arise, notification would be issued via the December 2014 quarterly CFL.



**22. How should self-employment be reported and how is minimum wage addressed for child care purposes?**

- The CalWORKs program does not specifically define self-employment but considers self-employment to be a type of unsubsidized employment. As described in MPP section 42-701.2(e)(1), employment means work that is compensated at least at the applicable state or federal minimum wage. If neither wage rate applies, the work must be compensated in an amount equivalent to the lesser of the two.
- Minimum wage for self-employed individuals: Counties are required to provide supportive services to individuals who are participating in activities that are listed in an approved WTW plan based on an assessment. The WTW plan for a self-employed individual should be assessed on a case-by-case to determine the likelihood of the individual generating sufficient income to meet minimum wage.

Guidance on how self-employment should be reported is addressed in [ACL 09-07](#), which was released in March 2009. This ACL contains the TANF Program Work Verification Plan definition of self-employment for federal reporting purposes and provides instructions on how the state counts and verifies hours of participation. It also provides instructions on how self-employment hours are verified. Please reference MPP section 44-113.212(SAR) and [ACL 12-16](#) (page 37) when calculating a client's self-employment income.

**23. If one parent is working and one parent is not working, does that make the AU ineligible for Child Care Services?**

Child care shall be paid when there is no parent, legal guardian or adult member of the AU living in the home who is able and available to provide care (MPP section 47-220.22). In a situation where there is more than one adult member of an AU, but only one is employed or fully participating in approved welfare-to-work activities, subsidized child care may still be granted for one adult to participate if it is determined that there is a need for child care and the other adult in the home is not able or available to provide care for an acceptable, documented reason. Such determination must be made on a case-by-case basis. (An AU is a group of related persons living in the same home who have been determined eligible for CalWORKs cash assistance [MPP section 47-110(a)(2)]. The chart for determining relatedness of caretaker relatives is contained in Appendix A of MPP section 88-400.)

**24. Can a list of ACLs be created as a cross reference guide for the corresponding CFLs contained in Attachment I?**

Attachment I provides a consolidated reference specifically for CFLs which have been published throughout the duration of the workgroup. Many of the CFLs were issued to provide clarification rather than actual CalWORKs Child Care program policy changes. The ACLs that correspond to these CFLs are ACL 11-36, dated April 21, 2011, and ACL 13-70, dated September 06, 2013.