



CDSS

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DEPARTMENT OF SOCIAL SERVICES



ARNOLD SCHWARZENEGGER
GOVERNOR

October 6, 2009

ALL COUNTY LETTER NO. 09-57

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS
ALL WELFARE-TO-WORK COORDINATORS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO
KIDS CHILD CARE PROGRAM BUDGET UPDATES REGARDING
THE REGIONAL MARKET RATE, RESTRICTIONS TO THE DAILY
RATE REIMBURSEMENTS, STATE MEDIAN INCOME, AND FAMILY
FEES

REFERENCE: ASSEMBLY BILL NUMBER 2 FOURTH EXTRAORDINARY SESSION
OF 2009 (ABX4 2); ASSEMBLY BILL NUMBER 1 FOURTH
EXTRAORDINARY SESSION OF 2009 (ABX4 1); EDUCATION CODE
SECTION 8357; ALL COUNTY LETTERS 09-03 AND 09-13

There are two purposes of this All County Letter (ACL). The first is to inform county welfare departments (CWDs) of the prohibition on charging family fees to families receiving cash aid, including safety net and sanctioned families. The second purpose of this ACL is to inform CWDs of the California Work Opportunity and Responsibility to Kids (CalWORKs) Child Care Program items in the Fiscal Year (FY) 2009-10 budget. These items include the State Median Income (SMI), Regional Market Rate (RMR) ceilings, and the new restrictions to daily rate reimbursements.

SMI AND FAMILY FEES

Current statute requires that the Department of Finance (DOF) annually update the SMI. The SMI is used to establish the income ceilings for families who receive subsidized child care as well as to establish the fee amount that a family is required to pay for child care services. DOF is required to provide the updated SMI for a family of four to the California Department of Education (CDE) by March 1 of each year and CDE, in turn, uses this information to adjust the family fee schedule. If all other eligibility requirements are met, families may receive subsidized child care until their income reaches 75 percent of the SMI. The income ceilings will only apply for former CalWORKs recipients who no longer receive a CalWORKs grant.

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

ABX4 2 added language that would prohibit implementing an adjusted family fee schedule to reflect an updated SMI mid-year. Budget Bill ABX4 1 continues the SMI at the FY 2007-08 levels for FY 2009-10. The family fee schedule based on the 2005 SMI shall remain in effect until CDE releases a new schedule.

The California Department of Social Services (CDSS) had instructed CWDs through ACL 09-03, dated January 23, 2009, that the family fee requirement would no longer apply to families receiving CalWORKs cash aid. CDSS rescinded these instructions via ACL 09-13 dated February 27, 2009, and instructed CWDs to continue assessing fees to any CalWORKs families who had previously been required to pay fees until further notice.

Effective immediately, the family fee requirement no longer applies to CalWORKs families receiving cash aid. CWDs will continue to assess family fees for former CalWORKs cash aid recipients. However, in those cases where the parents continue to receive a CalWORKs grant on behalf of their children, such as safety net and sanctioned families, a family fee will not be assessed. CDSS will be revising regulations to be consistent with the new statute.

CWDs are encouraged to check the CDE website regularly for updated income ceilings and family fee schedules. This will ensure that you accurately determine income eligibility and family fees for former recipients who receive CalWORKs Stage One child care in accordance with Manual of Policy and Procedures Section 47-230.2.

The CDE Management Bulletin 7-13, dated October 2007, contains the income ceiling table and the current family fee schedule which can be found on the CDE websites at:

<http://www.cde.ca.gov/sp/cd/ci/mb0713.asp>

<http://www.cde.ca.gov/sp/cd/ci/documents/feeschedule06.xls>

RMR PAYMENTS

Federal and state regulations require that an RMR survey be conducted once every two years. The survey is used to establish a maximum child care reimbursement ceiling. The Budget continues the RMR payment ceilings at the 85th percentile of the 2005 RMR survey for FY 2009-10.

The RMR payment ceilings for each county can be found on the CDE website at:

<http://www.cde.ca.gov/fg/aa/cd/ap/index.aspx>.

DAILY REIMBURSEMENT RATES

ABX4 2, signed on July 28, 2009, added language to Section 8357 of the Education Code which restricts the use of daily rate reimbursements to child care providers to the following circumstances only:

- A family has an unscheduled but documented need of six hours or more per occurrence, such as the parent's need to work on a regularly scheduled day off, that exceeds the certified need for child care.
- A family has a documented need of six hours or more per day that exceeds no more than 14 days per month. In no event shall reimbursements to a provider based on the daily rate over one month's time exceed the provider's equivalent full-time monthly rate or applicable monthly ceiling.
- This does not limit providers from being reimbursed for services using a weekly or monthly rate.

If you have any questions regarding this letter, please contact the Child Care Programs Bureau at (916) 657-2144.

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division