



Department Of Social Services

PROGRAM AREA: Economic Security	EFFECTIVE DATE: 10/23/12 REVISION DATE:
TITLE: Child Care Fiscal Agreements	AUTHORIZING SIGNATURE: 

**Purpose:**

The Garfield County Department of Human Services shall have procedures for Fiscal Agreements in the Child Care Program.

**Policy:**

Prior to approving a Fiscal Agreement with any provider, the county shall assess and review all information provided and determine if the department shall enter into an agreement with the provider as well as establishing the duration of the agreement. If provider requests changes at any time during the agreement period, he/she will be allowed only one amendment per fiscal agreement. The county will have the ability to amend a fiscal agreement at any time.

**Procedures:**

The length of time a fiscal agreement is determined depends entirely on circumstance and/or type of provider requesting a new fiscal agreement or renewing their current fiscal agreement. A non-licensed qualified provider will be required to renew their fiscal agreement every year. A licensed provider will be required to renew their fiscal agreement every two years. If there are circumstances where the county feels that it should be shortened then prudent person principle from state rule 3.913 ZZ will be applied along with detailed notes in the CHATS system.

**Provider Child Care Worker shall:**

1. Mail, hand deliver, email or fax fiscal agreement renewals at least 60 days calendar days prior to the end date of previous fiscal agreement.
2. Verify that providers are not excluded from receiving payments prior to signing a fiscal agreement. Garfield County will verify this through the Excluded Parties List System (EPLS) established by the General Services Division on the website at: [www.sam.gov](http://www.sam.gov).
3. Verify that POS training has been completed.
4. Have 10 business days to act on the new fiscal agreement as well as an amendment. The new and/or renewed fiscal agreement will be effective the day that it was received. An amendment will begin the day after it is entered into the CHATS system not to be more than 11 days from date received.
5. Enter fiscal agreement rates in the CHATS system

6. Not pay the provider until the Child Care provider worker, whom is the designee signs and dates the fiscal agreement. A final copy of the fiscal agreement will be mailed to all providers for their records.
7. If the provider is new or has asked for a new fiscal for an additional sight then the worker will send a direct deposit form to the provider if that is what he/she chooses as their choice for payment, otherwise the worker will need to do paperwork to get the provider set up with a Colorado Quest card.

**Provider shall:**

1. When entering into or renewing a fiscal agreement, he/she must write in their rates on the actual fiscal agreement, sign and date it as well as turn in a current copy of his/her brochure. This will allow the county to view the providers private pay rates to ensure that the county payments do not exceed private pay rates.
2. Provide direct deposit form, W-9 and a copy of their POS certificate of training if it hasn't already been provided.

**Attached:** 3.906 Qualified Provider # 3 and 3.906 Licensed Provider # 2  
3.911 C  
3.913 E, 3.913 MM, 3.913 OO, 3.913 SS, 3.913 ZZ

- EE. The counties or their designee shall verify the residence of any applicant for child care assistance to ensure that they live in the county where they are applying for assistance.
- FF. When a case is approved for child care, the start date shall be the date the application was completed, signed and received by the county or when the client became eligible, whichever is later.
- GG. If a family is not transitioned from Colorado Works to Low-Income Child Care, the county shall provide notice as set forth in sections 3.915.3 and 3.915.4.
- HH. Whenever possible in processing re-determinations of eligibility for current clients, counties shall use information that is already available in other sources to document citizenship and identity.
- II. Counties shall allow applicants who declare their children are citizens of the U.S. no more than six months to obtain the documents needed to meet the citizenship documentation requirement for the children.
- JJ. The county will act within five (5) business days on any referrals from Colorado Works that requests child care or makes changes to child care.
- KK. The county shall not close any Colorado Works child care cases until the end of the month the Colorado Works case is closed. Since clients are eligible for Colorado Works for the entire month, they are also eligible for Colorado Works child care.
- LL. The county shall not require Social Security Numbers or cards for any man, woman or child who applies for child care assistance. Social Security Numbers or cards may be used as supporting documentation for proof of citizenship for the children in care or for identity information.
- MM. Prior to approving a fiscal agreement with any provider, the county shall compare the provider's private pay rates to the county's rates to ensure that county payments do not exceed private pay rates.
- NN. Counties shall review fiscal agreements on a random basis using a risk-based approach to ensure that the provider's current private pay rates are not less than the agreed-upon county rates. If private pay rates are found to be less than the agreed upon county rates, a new fiscal agreement shall be negotiated and a recovery established against the provider.
- OO. Counties shall have fiscal agreements signed by the provider and county staff prior to updating them in the State prescribed system.
- PP. Counties shall establish controls over which county staff have the authority to override eligibility in the Child Care Automated Tracking System (CHATS). Any overrides of eligibility must be accompanied by documentation in CHATS.
- QQ. Counties shall authorize care based on verified need, by establishing an authorization to cover the maximum amount of units needed to ensure care is available based on the client's activity schedule.
- RR. Counties shall:
1. Audit authorizations and payments for receiving child care assistance on a random basis using a risk based approach. In any given year the county is expected to audit at least one percent (1%) of the county's authorizations for that year to ensure that from eligibility through payment, the child care was paid correctly.
  2. Counties shall establish recoveries within twelve (12) months of discovery of the facts resulting in recovery.
- SS. Upon receiving an application for child care services, counties shall review for completeness and mail via postal service, fax, email or hand-deliver a notice to the client of any missing verification within ten (10) business days of receipt of the application.
- TT. Upon receipt of an application that was directed to the wrong county of residence, the receiving county shall forward the application and any verification within ten (10) business days to the correct county. The county shall provide notification to the client that his/her application has been forwarded to the correct county.
- UU. Counties shall verify the date of birth for all children receiving child care services and for teen parents who are applying for child care services for their children.
- V V. If verification that is needed to correct the reason for closure of a child care case is received within thirty (30) calendar days after the effective date of closure, eligibility shall be determined as of the date the verification was received regardless of any break in service period.
- WW. Counties shall verify that providers are not excluded from receiving payments prior to signing a fiscal agreement. The county shall make this verification check through the Excluded Parties List System (EPLS) established by the General Services Division on the website at: [www.epls.gov](http://www.epls.gov).
- XX. Counties shall review department of labor records through the automated Colorado Unemployment Benefits System (CUBS) for any adult caretakers at application and redetermination to verify previous employment history.
- ZZ. Counties shall use the prudent person principle when determining eligibility or authorizing care and shall document reasoning in the appropriate notes section of the child care automated tracking system.

### 3.914 PROGRAM FUNDING [Rev. eff. 7/1/11]

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3.906 Purchase of Service

## A. Qualified Provider Requirements

1. Child care provider(s) shall be at least eighteen (18) years of age (reference rule manual Volume 7, Section 7.707.41, A, 3 (12 CCR 2509-8)).
2. A qualified provider and any adult eighteen years of age or older who resides in the provider's home shall be subject to the fingerprint-based criminal history records check and a review of the state administered database for previous agency contacts where the care is provided, as part of the following procedures:
  - a. Upon submission of the completed background check packet, as determined by state procedures, a qualified provider shall submit certified funds (i.e., money order or cashiers check) to cover all fees indicated below.
    - 1) A fee for the administrative costs referred to in Section 7.701.4, F (12 CCR 2509-8).
    - 2) A fee for each set of submitted fingerprints for any adult who resides in the home where the care is provided, eighteen (18) years of age or older, to offset the costs associated with processing the criminal background check through the Colorado Bureau of Investigation and the Federal Bureau of Investigation if the individual lived in Colorado for less than two (2) years. Payment of the fee for the criminal record check is the responsibility of the individual being checked.
  - b. A qualified provider who has submitted to a background check may be eligible to receive moneys from publicly funded State child care assistance programs.
  - c. As a prerequisite to signing a fiscal agreement with a county department of social/human services or its designee, a qualified provider shall sign an attestation of mental competence. The attestation affirms that he or she, and any adult residing in the qualified provider home where care is provided, has not been adjudged by a court of competent jurisdiction to be insane or mentally incompetent to such a degree that the provider cannot safely care for children.
  - d. The provider(s) may continue to receive publicly funded State Child Care Assistance Program moneys as long as the provider(s) or other adult is not ineligible due to the following circumstances:
    - 1) Conviction of child abuse, as described in Section 18-6-401, C.R.S.;
    - 2) Conviction of a crime of violence, as defined in Section 18-1.3-406, C.R.S.;
    - 3) Conviction of any felony offense involving unlawful sexual behavior, as defined in Section 16-22-102 (9), C.R.S.;
    - 4) Conviction of any felony that on the record includes an act of domestic violence, as defined in Section 18-6-800.3, C.R.S.;
    - 5) Conviction of any felony involving physical assault, battery or a drug-related/alcohol offense within the five years preceding the date of the fingerprint-based criminal background check;
    - 6) Conviction of any offense in another state substantially similar to the elements described in Items 1 through 5, above;
    - 7) Has shown a pattern of misdemeanor convictions within the ten (10) years immediately preceding submission of the application. "Pattern of misdemeanor" shall include consideration of Section 26-6-108(2), C.R.S., regarding suspension, revocation and denial of a license, and shall be defined as:
      - a) Three (3) or more convictions of 3rd degree assault as described in Section 18-3-204, C.R.S., and/or any misdemeanor, the underlying factual basis of which has been found by any court on the record to include an act of domestic violence as defined in Section 18-6-800.3, C.R.S.; or,
      - b) Five (5) misdemeanor convictions of any type, with at least two (2) convictions of 3rd degree assault as described in Section 18-3-204, C.R.S., and/or any misdemeanor, the underlying factual basis of which has been found by any court on the record to include an act of domestic violence as defined in Section 18-6-800.3, C.R.S.; or,
      - c) Seven (7) misdemeanor convictions of any type.
    - 8) Has been determined to be responsible in a confirmed report of child abuse or neglect.
  - e. A qualified provider shall notify the county with whom he or she has contracted pursuant to a publicly funded state Child Care Assistance Program, within ten (10) calendar days of any circumstances that result in the presence of any new adult in the residence.
3. For renewals, the county shall mail via postal service, fax, hand-deliver or email fiscal agreements at least sixty (60) calendar days prior to the end date of the previous fiscal agreement. Fiscal agreements are effective on day that the fiscal agreement is completed, signed, and received by the county.

## B. Licensed facility requirements:

1. The provider(s) shall be licensed.

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2. For renewals, the county shall mail via postal service, fax, hand-deliver or email fiscal agreements sixty (60) calendar days prior to the end date of the previous fiscal agreement. Fiscal agreements are effective on the day that the fiscal agreement is completed, signed and received by the county.
- C. Payment methods for all providers:
- Payment for purchased child care shall be made to the provider(s) through an automated system if it is a qualified provider(s) or licensed facility.
- D. Providers who are denied a Fiscal Agreement or whose Fiscal Agreement is terminated may request an informal conference with staff responsible for the action, the supervisor for that staff and the county director or director's designee to discuss the basis for this decision and to afford the provider(s) with the opportunity to present information as to why the provider(s) feels the county should approve or continue the Fiscal Agreement. Any request for a conference shall be submitted in writing within fifteen (15) calendar days of the date the provider is notified of the action. The county shall hold that conference within two (2) weeks of the date of the request. The county shall provide written notice of its final decision to the provider(s) within fifteen (15) business days after the conference.

### 3.907 ADULT CARETAKER RESPONSIBILITIES [Rev. eff. 9/1/11]

All adult caretakers must sign the application/re-determination form and releases along with providing verification of income to determine eligibility.

- A. All adult caretakers shall sign the state prescribed client responsibilities agreement form, which outlines child care program participation requirements.
- B. Adult caretakers have the responsibility to report and verify changes to income, if the family's income exceeds eighty-five percent (85%) of the State median income, in writing, within ten (10) calendar days of the change. If the adult caretaker is no longer in his/her qualifying eligible activity, this must be reported in writing within four (4) calendar weeks pursuant to Section 26-2-805(1)(e)(III), C.R.S.
- C. Adult caretakers must provide current immunization records for the children in care as required by county policy.
- D. Adult caretakers must cooperate with the child support enforcement unit or the delegate agency for all children with an absent parent, regardless of receipt of child care assistance for that child, as required by the county (see Section 3.919, K).
- E. Adult caretakers must report changes in child care providers prior to the change.
- F. All adult caretakers must provide written verification of their schedule related to their eligible activity at application, re-determination or when changes are reported.
- G. When the primary adult caretaker is declaring the identity of his/her child due to the child not having identification as part of the application, a picture ID of the primary adult caretaker or teen parent is needed to verify the adult caretaker's identity.
- H. When a child care case has closed and not more than thirty (30) days have passed from date of closure; the adult caretaker may provide the verification needed to correct the reason for closure. If the family is determined to be eligible, services may resume as of the date the verification was received by the county, despite a gap in services. The adult caretaker would be responsible for payment during the gap in service.
- I. An adult caretaker shall not leave his/her "CCAP" card in the provider's possession at any time or he/she shall be disqualified from the Colorado Child Care Assistance Program.

### 3.908 ELIGIBLE FACILITIES [Rev. eff. 7/1/11]

Child Care Services may be purchased from the following facilities:

- A. Qualified Providers
1. Qualified provider: A non-licensed family child care home in which less than twenty-four (24) hour care is given at any one time for only one child, two or more children who are siblings from the same family household, or children who are a relative of the provider. This includes the following relationships for types of care:
    - a. "Relative in-home care" means care provided by a relative in the child's own home by a person who does not meet the definition of "adult caretaker" or "teen parent" in Section 3.903.
    - b. "Relative out-of-home care" means care provided by a relative in another location by a person who does not meet the definition of "adult caretaker" or "teen parent" in Section 3.903.
    - c. "Non-relative in-home care" means care provided by a person, who is not related to the child, in the child's own home by a person who does not meet the definition of "adult caretaker" or "teen parent" in Section 3.903.
    - d. "Non-relative out-of-home care" means care provided by a person, who is not related to the child, in another location by a person who does not meet the definition of "adult caretaker" or "teen parent" in Section 3.903.
  2. Other qualified child care facilities: This includes a facility that is approved, certified, or licensed by any other state department or agency, or by a federal government department or agency, which has standards for operation of the facility and inspects or monitors the facility, and who has been declared exempt from the Child Care Licensing Act as defined in rule manual 7, Section 7.701.11, B (12 CCR 2509-8).
- B. Licensed Facilities

The following facilities are required to be licensed and comply with Licensing Rules as defined in the Social Services rule manual, Sections 7.701 through 7.712 (12 CCR 2509-8):

1. Family Child Care Homes
2. Child Care Centers which are less than 24-hour programs of care by whatever name known, as defined in Section 26-6-102(1.5), C.R.S.

### 3.908.1 PRE-ELIGIBILITY DETERMINATIONS [Rev. eff. 9/1/11]

The Early Care and Education provider may provide services to the family prior to the final determination of eligibility and shall be reimbursed for such services only if the county determines the family is eligible for services and there is no need to place the family on the waiting list. The start date of eligibility is defined in Section 3.913, FF. If the family is found ineligible for services, the Early Care and Education provider shall not be reimbursed for any services provided during the period between his/her pre-eligibility determination and the county's final determination of eligibility.

### 3.909 REGISTRATION OF QUALIFIED PROVIDERS [Rev. eff. 7/1/11]

The counties or their designee shall register qualified providers and include the following provider information: name, address (not a P.O. Box #), phone number and social security number. Pursuant to Section 24-76.5-103, C.R.S., counties or their designee must verify the lawful presence in the United States of all applicants for state or local public benefits, or federal benefits provided by the Colorado Department of Human Services, or by the county departments of human/social services or their designee under the supervision of the State Department pursuant to Section 3.140.12, except as otherwise provided in subsection (3) of 24-76.5-103, C.R.S. Any contract provided by an agency of a state or local government is considered a public benefit.

### 3.910 PROVIDER RATES [Rev. eff. 7/1/11]

Counties will be notified of the State recommended provider(s) rates via agency letter. Counties may opt to adopt those rates or may elect to set their own rate limits. If counties elect to set their own rates, they must notify the state on the State-prescribed form prior to implementation of those rates. State and county set rates must be paid in accordance with payment policies set forth below.

- A. Payments shall be made in part time/full time daily rates.
  1. Part-time is defined as zero (0) hours, zero (0) minutes, and one (1) second through five (5) hours, zero (0) minutes, and zero (0) seconds per day. Part time is paid at fifty-five percent (55%) of the full time rate, unless the county designates otherwise.
  2. Full time is defined as five (5) hours, zero (0) minutes, and one (1) second through twelve (12) hours, zero (0) minutes, and zero (0) seconds.
  3. Full-time/part time is defined as twelve (12) hours, zero (0) minutes, one (1) second through seventeen (17) hours, zero (0) minutes, zero (0) seconds of care.
  4. Full time/full time is defined as seventeen (17) hours, zero (0) minutes, one (1) second through twenty-four (24) hours, zero (0) minutes, zero (0) seconds of care.
  5. Counties may set rates for basic and alternative care as defined by the county and reported in the county plan.
- B. Counties shall pay for absences in accordance with the policy set by the county. Any absence policy set by the county shall address payments to hold a child's slot with a provider when the child is not in care to include, but not limited to, payments for scheduled school breaks, absences, and holidays.
- C. Upon notice to the state, counties may negotiate fiscal agreements that are modified to include rates and fees in a single rate of payment in a slot contract.
- D. Providers who contend that the county has not made payment for care provided under the Colorado Child Care Assistance Program in compliance with these rules may request an informal conference with staff, the appropriate supervisor, the county director or the director's designee, and, if requested by the provider(s), state program staff. Any request for a conference shall be submitted in writing within fifteen (15) calendar days of the date of the action. The county shall hold that conference within two (2) weeks of the date of the request. The county shall provide written notice of its final decision within fifteen (15) business days of the conference. The purpose of the conference shall be limited to discussion of the payments in dispute and the relevant rules regarding payment.

### 3.911 CHILD CARE PROVIDER RESPONSIBILITIES [Rev. eff. 7/1/11]

- A. Providers shall maintain a valid child care license as required by Colorado statute unless exempt from the Child Care Licensing Act.
- B. Providers shall report to the county if their license has been revoked, suspended, or denied within three calendar days of receiving notification or a recovery will be established of all payments made as of the effective date of closure.
- C. Providers shall sign the child care fiscal agreement and all other county or state required forms and payment shall not begin prior to the first of the month the fiscal agreement has been signed and received by the county.
- D. Providers shall develop an individualized care plan for additional care needs children based upon the Individual Education Plan (IEP), Individual Health Care Plan (IHCP), or child welfare treatment plan and provide a copy to the county eligibility worker on an annual basis or other alternate period of time determined in the plan.
- E. Providers shall maintain proof of current immunizations for the children in their care, if required by county policy. Immunization records shall be obtained from adult caretakers or teen parents either at the time of admission or within

health or safety is endangered or if the provider is under a negative licensing action as defined in Section 7.701.22, K (12 CCR 2509-8).

- B. The county may notify the provider of an immediate termination verbally, but written notice of that action shall be forwarded to the provider within at least eleven (11) calendar days. Any notice regarding denial or termination of a Fiscal Agreement shall include information regarding the provider's right to an informal conference as defined in section 3.906, D.

### 3.913 COUNTY RESPONSIBILITIES [Rev. eff. 9/1/11]

- A. Counties shall administer the Colorado Child Care Assistance Program in compliance with State Department fiscal and program regulations and in accordance with the terms associated with their allocation. Counties will be allocated child care funds annually.
- B. Counties or their designee shall establish administrative controls to ensure appropriate internal controls and separation of duties (this means that the same employee shall not authorize and process payment for child care services).
- C. Counties shall use forms as specified when required by the State Department.
- D. The county will make a decision on whether to approve or deny an application within fifteen (15) calendar days of the date the applicant or their authorized representative completes the application process. If all verification has not been submitted within fifteen (15) calendar days of the application date then the county may require a new application.
- E. Counties shall act on any reported change within ten (10) calendar days of receiving information and all required verification.
- F. Counties shall make reasonable efforts to advise county residents of services available to target groups through press releases, presentations, pamphlets, and other mass media.
- G. Acceptance of inter-county transfers shall be determined by the receiving county on a case by case basis in conformance with the following:
1. The adult caretaker(s) or teen parent notifies the sending county of the need to transfer services.
  2. The sending county contacts the receiving county to determine if the adult caretaker(s) or teen parent will receive services.
  3. The sending county informs the adult caretaker(s) or teen parent of the decision and, if applicable, sends appropriate paperwork to the receiving county.
  4. If the receiving county accepts the transfer, the counties shall negotiate the length of time that the sending county is responsible for making provider payments, not to exceed the end of the month after the date the adult caretaker(s) or teen parent moved into the receiving county. If the receiving county does not accept the transfer, the sending county terminates the case in conformance with termination procedures.
- H. Counties shall respond to requests for information or assistance from other agencies in a timely and attentive manner.
- I. The counties shall report to the State Department, in a timely and attentive manner, at such times and in such manner and form as the State Department requires.
- J. County business offices shall complete at least a random monthly review of Point of Service data sign in/out records using a risk-based approach. If the review indicates:
1. Unexplained, frequent absences and/or consistent absences, the county shall take action to correct the problem or terminate the placement.
  2. That the provider(s) may have submitted an inaccurate report of attendance for a manual claim, the county or its designee shall contact the provider(s) and adult caretaker or teen parent(s) to resolve the inaccuracy.
  3. That either the adult caretaker or teen parent or the provider has attempted to defraud the program or receive benefits to which they were not eligible. The county department or its designee shall report that information to the appropriate legal authority as set forth in Section 3.820, et seq.

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