



North Carolina Department of Health and Human Services
Division of Child Development and Early Education

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Robert W. Kindsvatter
Director

May 15, 2015

Dear County Director of Social Services

Attention: Child Care Coordinators, Supervisors, and Managers
Reimbursement Staff

Subject: Instructions for Local Purchasing Agencies' Close Out of the Subsidized Child Care
Reimbursement System for State Fiscal Year 2014-2015

In order for the Division of Child Development and Early Education to close out State Fiscal Year (SFY) 2014-2015, May services month subsidy expenditures must be entered in the Subsidized Child Care Reimbursement System (SCCRS) by 5:00 p.m. on Tuesday June 16, 2015. After counties complete their data, a delay in counties' close out automatically occurs. The delay allows DCDEE staff time to review counties' expenditure balance and determine if one or more of the following situations exists.

1. If the Smart Start balance is \$500 or more, LPA staff will be asked to recode expenditures from Fund Source 20 or 25 to Fund Source 15 to spend out Smart Start funds.
2. If Smart Start funds are overspent by more than \$100, LPA staff will be asked to recode expenditures from Fund Source 15 to Fund Source 20 or 25.
3. If Non Smart Start funds are overspent up to \$1,500, no corrections will be necessary.
4. If Non Smart Start funds are overspent by more than \$1,500 more, LPA staff will be asked to recode expenditures to other funds sources and enter the fund source code such as codes 55 (Local Funds), 71 (TANF MOE), 72 (TANG Federal Funds,) and 73 (TANF Child Only-200% Poverty).

Sherry Young Administrative Officer II, in the Subsidy Services Unit of the Division will contact the child care staff in the local purchasing agency to confirm how expenditures will be recorded. Division staff will advance counties' close out to the next step for payment after LPA staff complete the recoding process.

The Division may cover overspending amounts beyond counties' direct services allocation; however, if the amount exceeds \$1,500, the counties should not assume the amount will be covered. The LPA staff must secure prior approval from DCDEE for amounts that exceed \$1,500. This is done by contacting Kim Miller at kim.miller@dhhs.nc.gov. The email message must describe the amount of funding needed and why the overspending occurred. If funds are available, the Division may provide funds to cover the LPA's request.

www.ncdhhs.gov • www.ncchildcare.nc.gov
Tel 919-662-4499 • Fax 919-661-4845

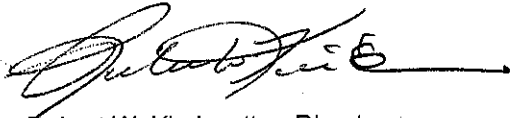
Location: 319 Chapanoke Road • Raleigh, NC 27603
Mailing Address: 2201 Mail Service Center • Raleigh, NC 27699-2201
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NOTE: If a balance exists for Non-Smart Start services support funds, LPA staff must request permission from the Division to move these funds into direct services. If a balance exists for Smart Start services support funds, LPA staff must refer to their current Memorandum of Understanding (MOU) for instructions or consult with their local Smart Start partnership to request that funds be moved to direct services. The local purchasing agency is responsible for Non-Smart Start and Smart Start services support funds overspent for the SFY 2014-2015.

If you have questions about the information contained in this letter, please contact John Winstead at John.Winstead@dhhs.nc.gov or via phone at 919-527-6541.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert W. Kindsvatter", with a long horizontal line extending to the right.

Robert W. Kindsvatter, Director

cc: North Carolina Partnership for Children, Inc.