



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development and Early
Education

JOSH STEIN • Governor
DEVPUTTA SANGVAI • Secretary
CANDACE WITHERSPOON • Director

May 9, 2025

Dear County Director of Social Services and Local Purchasing Agencies

Letter Number: SCCA DCDL 2025 - #06

Attention: Directors of County Departments of Social Services
Directors of Other Local Purchasing Agencies
Child Care Coordinators
Other DSS Personnel who work with the Subsidized Child Care Assistance Program (SCCA)

Subject: Unpaid Parental Fees

The purpose of this Dear County Director Letter is to clarify procedures for handling unpaid parental fees.

The North Carolina Rights and Responsibilities for Public Assistance NCFAS-20009 states that recipients must “pay the parental fees determined by your child care worker to your child’s provider. Failure to pay these fees regularly and on time can result in the termination of child care services. You will not be eligible for child care services until the parental fees are paid”.

To ensure this provision is met, child care workers must verify that the recipient has no past-due parental fees before issuing a new voucher to another child care provider. Child care workers must follow the guidelines below:

- When a recipient contacts the DSS/LPA and requests to end care or change child care providers, the child care worker must contact the child care provider to ensure there are no past-due parental fees.
 - If there are unpaid parental fees, the provider must indicate the amount of unpaid parental fees. The recipient is only responsible for payment of **one month of unpaid parental fees**. Any additional months that the provider has not collected the parental fee will not be held against the recipient in order to obtain a new voucher.
 - If the child care worker attempts to contact the provider but the provider cannot be reached, the child care worker must document all attempts to contact the provider prior to issuing a new voucher.
- When a provider contacts the DSS/LPA to report unpaid parental fees and requests to terminate services, the child care worker must issue a Child Care Action Notice to terminate the Plan of Care according to Chapter 11 III.B.2.ii. of the SCCA Policy Manual and must document the case of the amount of unpaid parental fees and the reason why the Plan of Care is being terminated. One month of parental fees or a satisfactory repayment arrangement must be made before a voucher for another provider can be issued. When a provider consents to a repayment arrangement, it is the provider’s responsibility to collect payments. Upon notification that a repayment arrangement has been made, the recipient is issued a new voucher. However, if the recipient later fails to complete the entire repayment agreement, the recipient’s voucher continues and the voucher is not revoked.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

LOCATION: 333 East Six Forks Rd • Raleigh, NC 27609
MAILING ADDRESS: 2201 Mail Service Center, Raleigh, NC 27699-2200
www.ncdhhs.gov • TEL: 919-814-6300 • Fax: 919-715-1013

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

- When a provider contacts the DSS/LPA to report unpaid parental fees but **does not wish to terminate services**, the child care worker must document the amount owed, the provider's decision to continue services and any repayment arrangements, if any. If the recipient later requests to end services or change providers, the recipient will be responsible for up to only **one month** of past-due parental fees before a new voucher will be issued.

Thank you for your attention to this matter and for your continued commitment to accurate and efficient case management.

If you have any questions, please reach out to your Subsidy Technical Assistance Consultant.

Sincerely,

A handwritten signature in cursive script that reads "Candace Witherspoon".

Candace Witherspoon

CW/RS