



Minnesota Department of **Human Services**

November 23, 2010

Administration for Children and Families
Office of Administration
Office of Information Services
370 L'Enfant Promenade, SW
Washington, DC 20447
Attn: ACF Reports Clearance Officer

Re: Child Care and Development Fund Plan for States/Territories for FY 2012-13 (OMB No. 0970-0114)

This letter responds to a request for comments on the proposed Child Care and Development Fund Plan for States and Territories in the September 24, 2010, Federal Register. These comments are submitted by the Minnesota Department of Human Services. Minnesota appreciates the Office of Child Care's continued efforts to update and improve the state Plan preprint. The 2012-13 draft preprint contains sweeping changes, to which we are providing comprehensive feedback. We begin with general comments and proceed with guiding principles, followed by specifics for the three sections of the plan.

General Comments

Minnesota is pleased to see the following revisions in the Plan:

- A new organization of the Plan that is user-friendly, eases administrative burden hours by utilizing tables, and improves transparency to the public by centrally locating information into three categories of Administration, Subsidy and Quality.
- A new focus on quality
- Revised questions throughout the Plan aimed at enhancing understanding of CCDF program similarities and differences among states and territories; and
- Attention to CCDF goals, outcomes and accountability.

The draft Plan preprint contains numerous questions that are not tied to CCDF requirements. Examples of this are pointed out in each of the three sections of the plan, especially throughout Part 2 and Part 3. Some questions are reflective, to facilitate expanded thinking about CCDF program administration. However, we are concerned that the public (e.g., state legislators and other state and local stakeholders) will not be able to discern the difference between what is

required by CCDF statute and regulations versus what is elective. Therefore we suggest that each question relating to a mandatory element of CCDF be labeled with the appropriate citation (i.e., statute and/or regulation source).

While the new organization of the Plan replaces narrative responses with tables, this new CCDF preprint draft calls for increased reporting without increased funds for technology, data, collection, and analyses — which puts many states in a difficult place.

Guiding Principles

- Include federal citation under each question/section that is applicable to that question or section. This will ensure states meet the minimum federal requirement to administer the CCDF funding/program.
- Identify mandatory and optional components. This will affirm federal compliance and strategic planning being conducted by states. In addition, this will also improve accountability and transparency for federal and state legislators.
- Label questions that are designed to encourage expanded thinking among administrators appropriately to indicate their non-obligatory nature, to avoid confusion about the types of activities CCDF are and are not required to carry out.
- Where new terminology is introduced, the Plan Guidance should include definitions to ensure states are responding correctly to the questions. This is especially important where terminology may be interpreted differently among states.
- The phrase “CCDF children” is used throughout the preprint. We recommend you clarify who that includes, specifically.

Part 1: Administration

1.3.1

This question leaves out the option of “States /Territories supervised, county administered” and all program policies are set by the State/Territory. Adding another checkbox would eliminate the need for States/Territories who meet this criterion to describe through written narrative associated with the “other” checkbox. This change will also support the e-submission process for this plan.

1.4

Minnesota seeks clarifications and revisions in this Program Integrity section.

- Each state must participate in an ERROR review and report process once every three years. This process is very detailed and includes a report that is submitted to the federal government. This new section of the CCDF Plan preprint asks both Error questions and Fraud questions and duplicates the work states are already doing in the IAP Error report

process. While Minnesota strongly supports all efforts to improve program integrity in states, we do not believe that value is added by providing duplicative reports of the work we are doing and therefore support eliminating questions related to administrative error from the CCDF preprint.

- This section asks questions related to Program Integrity and seems to assume that the same strategies are in place to support program integrity in both the quality and availability investments and the direct services investments. This is not the case in most states. The questions should specify which portion of the funds available are being described in the state's response.
- If administrative errors remain in the CCDF preprint, we suggest a common definition of fraud and administrative error be included to ensure that every state can respond to the questions in this section with the same understanding.

1.4.1

This question seems to mirror the oversight required through the A133 audit process. All states are required to participate in this process and the results are reported to the federal government. This is an agency-wide oversight process for all public programs. Many of these processes are overseen through the larger infrastructure of the agencies who are administering the CCDF programs. The A133 reports should be the source of any information submitted by states in this area.

1.4.2

This is a new plan requirement requiring lead agencies to have written agreements in place where the lead agency uses other governmental or non-governmental subrecipients that administer the program. The regulations which are requiring this change should be cited along with this request for information.

1.4.3

This table asks states to describe the activities the Lead Agency has in place to identify fraud and administrative error to ensure program integrity. We suggest clarification of the type of activity that "conducts supervisory staff conduct reviews" to identify fraud and administrative errors includes. In addition, if this level of detail is desired related to the IAP process, that process should be modified to require it and states should not be required to report separately in the CCDF preprint.

1.4.4

The current wording of this question does not acknowledge that different strategies are used to investigate fraud, investigate administrative errors and collect payments. We suggest that this question be revised into a row and column format so that states can indicate which individual strategies they intend to use to: **investigate fraud**, **investigate administrative error**, and **collect**

improper payments. It is also important to note that the wording of this question implies that states have the jurisdiction of determining fraud, when it may be under another division or agency. Therefore, it is important to provide an “N/A” box option with a narrative box for each of the three activities bolded above so that administrators can explain why they may not participate in a particular activity.

1.4.6

We believe this question should be eliminated since this information is already submitted and captured in the ACF-402 report.

Table 1.5.1

The wording of 1.5.1 implies that all the listed choices are required – but they aren’t. We recommend that the question clearly specify which are required agencies/entities and which are not, and explain the rationale for including the non-required choices.

1.5.3

In this question, the terminology “innovative” may be problematic and can be interpreted in a variety of ways. This is also an example of a request for information that is beyond federal requirement. We suggest a checkbox format with a list of practices from which a state may choose, as well as two additional boxes labeled “None of these” and “Other/Explain” to allow for narrative.

1.6.1

This question lists additional entities that were not included in previous preprints and are not listed in the federal requirements. For example, State/Territory with Head Start Collaboration grant, and/or Statewide Advisory Council funded by the Head Start Act, Other Federal, State, local Tribal (if applicable), and/or private agencies providing child care and early childhood development services. We suggest removing “required” from the checkbox language where the coordination is not mandatory but states can coordinate with these entities in the delivery of child care and early childhood services. We recommend adding a choice for partnering with school-age organizations.

1.7.2

This question seems to apply to those who marked the “Developed” box choice in 1.7.1 and is unlikely to apply to those who are carrying planning activities. The question should add an “N/A” box. Also, a box labeled “other” is needed to allow states the ability to describe additional activities that are not already provided in the list.

Part 2: Subsidy Program Administration

2.1.3

We recommend removing the “assessment” terminology since the lead agency is not charged to provide assessment; instead, we suggest a revision to the question to capture work that the lead agency is doing to provide parents with education as is suggested in the methods provided in the Plan.

2.1.6

This question implies that states are required, according to 98.30(a-e) Parental Choice, to promote continuity of care for children and stability for families according to the methods in the checklist. We suggest this question be reworded to ask states to describe their policies that promote continuity of care for children and stability for families. Use the list as an example of methods used to promote continuity of care for children and stability for families. This change will identify that there is no federal requirement and reduce potential negative impact from the public. A state’s response may also be misleading if some of the strategies are used in some cases and not for every child in care in the CCDF program.

2.1.8

This is a new question with a new requirement: a description of the Lead Agency documentation and verification process for applicants applying for child care assistance. The federal citations 98.70 (a) references information that must be gathered to complete the quarterly case-level report and 98.71 references content of the reports. We suggest revising the chart with a “yes/ no” question and, if “no, describe your plan to verify applicant’s information” and allow states to write a narrative. We suggest definitions of documentation and verification for additional clarification relating to this question.

2.1.9

The current question asks about timeliness of both determinations and re-determinations. However, the follow-up question for those who marked the “Yes” box only applies to determinations. We suggest a revision so that responses can be captured for instances of determinations as well as re-determinations. Or if the intent is only to capture the timeliness of determination, we suggest removing the “re-determination” language from the question altogether.

2.2.4 (b)

Letter b of this question only applies to those who marked “Yes” to letter a of the question. We recommend adding an N/A box option so that it now has three options: Yes, No, and N/A.

2.2.5 (b)

For Letter b, states vary in their approach to determining income eligibility. They often use varying combinations of income deductions and income exclusion considerations to make this

determination. Using one set of checkboxes to examine both deductions and exclusions is not feasible. Therefore, we suggest replicating the answer choices list that is already provided so that respondents can consider the list for both deductions and income exclusions.

On another note, we suggest the following improvements be made to the answer choices:

- Add “child support paid out” as an additional option that respondents can mark
- Separate “adoption subsidies” from “foster care payments.”

2.2.5 (f)

For letter f of this question, we would like to suggest that examples of SMI sources be made available so that states can know what sources are feasible to use.

2.3.4

Since states may have more than one answer, we recommend adding a statement that instructs administrators to mark all that apply.

2.4.2

We suggest adding a checkbox, “guaranteed subsidy eligibility,” to this question.

2.4.3

It is our assumption that the answer choice titled “all families” refers to all families who are *eligible*. If so, such clarification will be needed for this answer choice. In states where waiting lists exist, the status of the waiting list may change at different points in time. This response should not require a Plan amendment if the status changes during the Plan period.

2.5.3

It is our assumption that the intention here is to capture how child care slots are bought. If so, then this question only captures slots bought through grants or contracts. Slots can also be bought through vouchers. If the first assumption is true, we recommend replicating the answer choices, perhaps in the form of a chart, so that the question about buying slots can be asked in regard to grants, contracts and vouchers.

2.6.3

Not all states track payment timeliness; however, most have standards. We recommend adding an answer choice that asks states if a standard or policy exists. Since this is not a federal requirement, we have concerns about the impact on states who answer “no” to this question.

2.6.4

Question 2.6.4 a asks states to provide the month and year when the most recent local market rate survey(s) was completed. Question 2.6.4 b asks for the states to attach a copy of the Market Rate Survey instrument and a summary of the results of the survey. For consistency between 2.6.4 a

and 2.6.4 b, we ask that you insert “recent” in the statement, “Attach a copy of the Market Rate Survey instrument and a summary of the results of the ‘recent’ survey.”

2.6.5

Change the language in the federal direction from “current” to “most recent” MRS for consistency with question 2.6.4 a. This item also requires states to include the range if the percentile is not the same for all rates. It is unclear what is being asked by the “range.” Further clarification is needed on this.

3.1.1

Item b asks for submission/verification of state licensing standards to NRCKids website. We cannot determine on their website where this information would be submitted or where it is maintained for verification.

The Family Child Care category limits setting to private residence. However, in Minnesota we have special family child care provided by employers, churches, child care collaboratives, and non-profit agencies. These are most often not in a private residence.

3.1.1 (c)

Does this question refer to licensing requirements in general, or the categories of licensure in item b above?

3.1.2 (a)

With FCC licensing inspections being conducted by counties and no requirement that visits be unannounced, there is variation. Minnesota does not maintain data on which counties conduct announced vs. unannounced visits.

3.1.3 (b)

We think the question about tuberculosis is a good addition. However, this is not a requirement for DHS licensed child care programs.

3.1.3 (d)

This question does not specify that this is referring to CCDF recipients, although a, b, and c do.

3.1.4

This question includes the phrase, “Number of programs dropped from CCDF,” but it’s not clear what this means. It would be helpful if you could provide a specific definition of a “CCDF program.”

Another phrase in this section reads, “Numbers of programs operating that are legally exempt from licensing.” This is not specific enough to provide useful data. For instance, does “programs”

include Family, Friend and Neighbor, or school-based, etc.? If FFN, Minnesota would have no mechanism to assess the number of FFN caregivers who are legally exempt apart from a survey of Minnesota households completed in 2005.

3.1.4 (b)

The language should be more descriptive/specific. Are you asking for what kinds of reports can be generated about licensed programs?

3.1.5

It would be more realistic to have states report on what improvements have occurred over the prior two years.

3.2.3

The domains listed may not all be commonly used for ELGs for children 5 and older. Consider reviewing ELGs for states that have them for this age group to ensure that commonly used domains are included.

3.2.7

This question asks what data we are collecting on the implementation of ELGs but it is not clear what “implementation” entails. We recommend providing a specific definition of “implementation,” or else removing the question since, as written, it won’t provide meaningful data for our state. Also, a definition of “family support programs” would be helpful.

3.3.1

We suggest adding two checkboxes to a: “Infants and Toddlers,” and “Diverse Backgrounds.”

3.3.3

It is not clear whether “Customized instrument developed for State/Territory quality improvement system” is intended to include submission of written documentation or if it is limited to observational assessment. We recommend clarifying, and adding “submission of written documentation” if it is not intended in the response option as written.

3.3.6 (b)

List school-age care programs as a checkbox option.

3.4

For states without mandated registries, what are alternative sources?

3.4.1 (c)

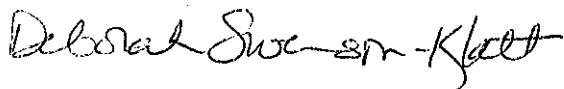
List school-age care programs as a checkbox option.

3.4.4

We recommend adding a checkbox for "series-based training."

Thank you for the opportunity to comment on the 2012-13 Plan preprint draft. If you have questions, please contact Deb Swenson-Klatt at deb.swenson-klatt@state.mn.us (651 431-4886) or Cherie Kotilinek at cherie.kotilinek@state.mn.us (651 431-4005).

Sincerely,



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