

**To:** Kelsi Feltz  
Office of Information and Regulatory Affairs (OIRA)  
Office of Management and Budget (OMB)

**From:** Ruth Friedman, PhD  
Director, Office of Child Care  
Administration for Children and Families (ACF)

**Date:** August 22, 2024

**Subject:** Change Request – Child Care and Development Fund (CCDF) ACF-696 Financial Report for States and Territories and ACF-696T Financial Report for Tribes (OMB #0970-0510)

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This memo requests approval of changes to the approved generic information collections (GenIC): Child Care and Development Fund (CCDF) ACF-696 Financial Report for States and Territories and ACF-696T Financial Report for Tribes (OMB #0970-0510, Generic Clearance for Financial Reports).

### ***Background***

The Child Care ACF-696 Financial Report is used by 50 States, the District of Columbia, and five U.S. Territories that receive CCDF funding (American Samoa, Commonwealth of Northern Mariana Islands, Guam, Puerto Rico, and U.S. Virgin Islands) to report quarterly expenditures. The Child Care ACF-696T Financial Report is used by 219 tribes to report annual expenditures.

The ACF-696 Financial Report and ACF-696T Financial Report must be submitted electronically in the On-Line Data Collection (OLDC) system. The system requires recipients to designate separate people to user roles to complete, submit, and certify the report forms.

Both the ACF-696 and ACF-696T Financial Reports are approved under OMB Control Number 0970-0510 through June 30, 2027. ACF is seeking approval for changes to these forms and their respective report form completion instructions to clarify the user roles in the OLDC and to update language in the instruction for the ACF-696T to align with regulation and policy changes. The reporting frequency will remain the same.

### ***Overview of Requested Changes***

ACF proposes the following updates to the current form and instructions to allow for comprehensive reporting of financial information as well as improved simplicity and clarity for users of the ACF-696 and ACF-696T forms:

- (1) Updates to the language in the ACF-696 and ACF-696T to clarify the multiple roles in the OLDC and that the roles must be assigned to separate people.
- (2) Clean-up of language throughout the ACF-696T report form instructions to align with changes in Office of Child Care guidance and directives for working with Tribal governments.

- (3) Removed the obligation and liquidation timeframes for the Discretionary Disaster Relief Act of 2019 funds in the ACF-696T report form instructions because, with a liquidation period of September 30, 2022, these instructions are no longer relevant.
- (4) Added the reference and link to the updated Program Instruction for using CCDF for construction and/or major renovation throughout the ACF-696T report form instructions.
- (5) Updated the instructions for calculating direct services, quality, and infant/toddler quality spending requirements in the ACF-696T report form instructions to provide clarity.

The above changes will not impact the current estimated response time of 5 hours per response.

### ***Time Sensitivities***

The next financial reporting period for the ACF-696 is quarter-end September 30, 2024, with a due date of October 30, 2024. The next financial reporting period for the ACF-696T annual report is September 30, 2024, with a due date of December 30, 2024. It is important that grant recipients understand the clarified separation of role for electronic reporting prior to the next reporting period. Additionally, the clarification and streamlining in the ACF-696T will allow better understanding the updated reporting instructions. ACF needs this information to ensure proper monitoring of grant obligations and liquidations made during the FFY. It takes significant staff hours to update financial report forms in ACF's grant reporting system. Therefore, a prompt approval of these edits is requested to enable timely reporting by CCDF grant recipients.