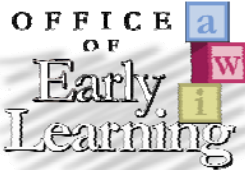
	AGENCY FOR WORKFORCE INNOVATION Office of Early Learning		
	SUBJECT FILE: 410.40	POLICY NUMBER: OEL-PI-0019-05	
	UNIT: Program	STAFF CONTACT: Lisa L. Barnes, (850) 921-3171	
	ISSUE DATE: June 21, 2005	DEPUTY DIRECTOR: Gladys W. Wilson	

Subject: Classification of a child enrolled in a school readiness program as a certificate or purchase of service

References: 45 C.F.R. part 98 (2002)

Purpose: To ensure appropriate classification of a child enrolled in a school readiness program

Background: The Agency for Workforce Innovation is the designated Lead Agency for the administration of the federal Child Care and Development Fund (CCDF) block grant and related programs.¹ In this capacity, the agency is responsible for making certain that coalitions have in place appropriate practices to ensure that federal regulations are being met concerning parental choice and that child enrollment is being recorded accurately. Specifically, it is important to make certain that parental choice is being offered, and to ensure that child enrollment is being recorded accurately in the Enhanced Field System (EFS).

For purposes of ensuring parental choice, federal regulations clearly define two options for child care services which must be given to parents at the time services are made available: (1) a certificate or (2) a contracted provider.²

(1) **Certificate.**—The term “certificate” refers to a child care certificate that is issued by an early learning coalition directly to a parent who may use the certificate for child care services at a provider of his or her choice.³ A certificate is not a contract with a provider; rather, a certificate is considered assistance for the parent.⁴ Payment for the child care certificate may be issued directly to the provider of the parent’s choice.

¹ Agency for Workforce Innovation, Office of Early Learning, *Child Care and Development Fund Plan for FFY 2003-2005* (rev. January 2005).

² 45 C.F.R. § 98.1(c)(1), § 98.15(2) and § 98.30(a) (2002).

³ 45 C.F.R. § 98.2 (2002).

⁴ 45 C.F.R. § 98.30(c)(6) (2002).

- (2) **Contracted provider.**—The term “contracted provider” refers to a child care provider that receives assistance under the federal CCDF definition through a contract.⁵ The term does not include a child care provider that receives federal funds “only through the operation of a certificate program.”⁶ A coalition may not guarantee slots for a contracted provider.

For federal reporting purposes, each early learning coalition must ensure that all school readiness services provided to children are reported accurately.⁷

Instructions: In order to ensure compliance with federal requirements, each early learning coalition is instructed to take the following steps:

- (1) Review records in the Enhanced Field System (EFS) to ensure that children are recorded accurately and make any necessary adjustments.
- (2) Offer parents the option to choose a contracted provider or receive a certificate for services.⁸
- (3) Record a child’s enrollment in EFS as a Purchase of Service (POS) if the child is served by a provider that has signed a written contract or agreement for services which includes standards of care. As used in this paragraph, the term “standards of care” includes standards or conditions for services, including the program expectations outlined in s. 411.01(5)(c)4., F.S., as amended by s. 2, ch. 2004-484, L.O.F. If a provider has agreed to meet these standards, the child’s enrollment is recorded in EFS as a POS.
- (4) Record a child’s enrollment in EFS as a certificate if the child is served by a provider that is not recorded in EFS as a POS contracted provider under (3) above. A contract must not be executed for child care services provided through a certificate. A written certificate may include the amount of funds that will be paid to the provider and the length of time covered by the certificate.⁹

It is imperative that each coalition follows this program instruction. Failure to follow this program instruction may cause potential federal audit findings due to noncompliance with federal parental-choice regulations in 45 C.F.R. part 98 (2002).

⁵ 45 C.F.R. § 98.2 (2002).

⁶ *See id.*

⁷ *See* 45 C.F.R. § 98.71(b)(2) (2002) (includes list of federal reporting requirements resulting from the federal CCDF block grant).

⁸ *See* s. 411.01(10), F.S., as amended by s. 2, ch. 2004-484, L.O.F. (state law specifies that in the event of a conflict between state statute and federal requirements, the federal requirements shall control).

⁹ 45 C.F.R. § 98.60(d)(6)(i)-(ii) (2002).

To help parents make informed choices, coalitions may review local consumer education plans in conjunction with this program instruction.

PLEASE DIRECT QUESTIONS AND COMMENTS TO THE STAFF CONTACT LISTED ABOVE.
