



Alternative Payment Review Guide



Early Education and Support Division

September 2014

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INTRODUCTION

In 2010, the California Department of Education began the process of developing a review guide for the Alternative Payment Program to implement federal guidelines for reducing errors in Child Care and Development Fund (CCDF) programs. The review guide contains instructions for: 1) selecting a statistically valid sample of children receiving subsidized child care services, 2) analyzing the family and provider files associated with those children for errors, and 3) recording and aggregating those errors for the purposes of administrative improvement.

The material presented in the guide is to provide clear written information that will be used in an Alternative Payment monitoring review. We also believe the guide will assist local contractors in developing and implementing quality assurance processes.

The current version of the review guide is consistent with federal and state rules, federal Policy Interpretation Questions, and California Department of Education, Early Education and Support Division Management Bulletins. Consistent with federal guidance, the review guide distinguishes between material errors² (the federal term is improper payment) and file errors³ (the federal term is administrative error).

Our goal is to provide support and technical assistance that will lead to successful administration of programs. Questions or feedback regarding the review guide should be directed to your assigned Field Services Consultant at <http://www.cde.ca.gov/sp/cd/ci/assignments.asp> or Vanessa Saunders, Alternative Payment Monitoring Unit Manager, by e-mail at vsanders@cde.ca.gov or by phone at 916-324-1602.

² A material error is defined as a failure to adhere to state or federal rules that results in the reviewer reaching a different assessment of the child's eligibility or need for services and/or the appropriate reimbursement to the provider. A material error must lead to a mistaken or unsupported amount of reimbursement to the provider.

³ A file error is defined as a failure to adhere to program rules or other administrative policies that do not lead to a mistaken or unsupported amount of reimbursement. For example, a release of employment information form signed by the parent is absent from the file but, because there is sufficient information to establish the parent's employment and income for eligibility purposes, this would be determined to be a file error, not a material error.

I. ALTERNATIVE PAYMENT REVIEW GUIDE

1. CDD-801A Monthly Population Report

Child Reported on the CDD 801A		Findings
1.1	Did the child receive services in the test month (5 CCR, Section 18070)?	<p>Material: If the attendance record is not present, but the provider was reimbursed, an error will be determined in provider reimbursement. The error will equal the cost of services provided for the sample month.</p> <p>Material: If more than 10 percent of the random sample files pulled include children that did not receive services during the review month, an Error Rate of 100 percent will be found for the review.</p> <p>File: If the attendance record is not present and a reimbursement was not made, a reporting error will be found on the 801A.</p>

2. Certification and Recertification (Application for Services)

The Application for Services (CD 9600) includes basic data regarding eligibility, need and family information.

Certification and Recertification (Application for Services)		Findings
2.1	Is the Application for Services present (5 CCR, Section 18083)?	<p>Material: If the Application for Services is not present in the family data file an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
2.2	<p>Is the Application for Services complete (5 CCR, Section 18082[b])?</p> <p>Was the application completed prior to serving the child (5 CCR, Section 18082[b])?</p>	<p>Material: If services are provided prior to the Application for Services being completed and not all supporting documentation is in the family data file, an error will be determined in eligibility. The error amount will be determined as in 2.1.</p> <p>File: If the Application for Services is incomplete, however the supporting documentation is present in the family data file, an error will be determined in eligibility.</p>

2.3	If applicable, did the recertification occur within 12 months (5 CCR, Section 18103)?	<p>Material: If the recertification date on the Application for Services exceeds the 12 month (3 months at risk) after the date of prior certification, an error will be determined in eligibility. The error amount will be determined as in 2.1.</p> <p>File: If the recertification date on the Application for Services exceeds 12 months (3 months at risk) after the date of the prior certification, however the certification is completed before the review month, an error will be determined in eligibility.</p>
2.4	Does the family data file contain a Child Care Data Collection Privacy Notice and Consent Form (9600A) (5 CCR, Section 18081[c])?	<p>File: If the family data file does not contain a Child Care Data Collection Privacy Notice and Consent Form, an error will be determined in eligibility.</p>
2.5	Does the family data file contain all child health and current emergency information (5 CCR, Section 18081[e])?	<p>File: If the family data file does not contain all child health and current emergency information, an error will be determined in eligibility.</p>

3. Contract Eligibility

CalWORKs Stage 2 (C2AP)	CalWORKs Stage 3 (C3AP)
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Contract Eligibility indicates the Alternative Payment Program in which a family is enrolled. Review the documentation to ensure the family was eligible for the contract in which they were enrolled.

CalWORKs Stage 2 (C2AP)		Findings
3.1	If applicable, was the parent transferred from a CalWORKs Stage 1 or CalWORKs Stage 2 contractor (5 CCR, Section 18409[a])?	<p>Material: If any of the nine (9) data elements are missing from the transfer documentation from CalWORKs Stage 1 or CalWORKs Stage 2, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p> <p>Material: If the family data file documentation is not established within six (6) months from the date of transfer, an error will be determined in eligibility. The error amount will be determined as in 3.1.</p>
	Were the nine (9) data elements obtained by the receiving contractor (5 CCR, Section 18409[a][1-9])?	
	If applicable, was the basic data file established within six (6) months of the date of transfer (5 CCR, Section 18412[b])?	

3.2	Is there documentation from the County Welfare Department (CWD) indicating the receipt of cash-aid (5 CCR, Section 18408[a][2])?	Material: If there is no documentation from the CWD indicating the receipt of cash-aid, an error will be determined in eligibility. The error amount will be determined as in 3.1.
3.3	<p>If applicable, is there documentation from the CWD indicating the parental cash-aid end date (5 CCR, Section 18085)?</p> <p>Is the parent within the 24 month time limit which begins the first day of the month immediately following the month the adult is no longer receiving CalWORKs cash-aid (5 CCR, Section 18408[d-f])?</p>	Material: If the CWD documentation (e.g. Passport to Service, GEARS, and CalWin) reflects that the parent(s) are not within the 24 month time limit and have not been moved to CalWORKs Stage 3, an error will be determined in eligibility. The error will equal the cost of services for the sample month or for the period of time services were provided in error due to not moving to CalWORKs Stage 3 whichever is less.

CalWORKs Stage 3 (C3AP)		Findings
3.4	<p>If applicable, was the parent transferred from a CalWORKs Stage 1, CalWORKs Stage 2, or from another contractor (5 CCR, Section 18421)?</p> <p>Were the nine (9) data elements obtained from the receiving contractor (5 CCR, Section 18424[a][1-9])?</p> <p>If applicable, was the basic data file established within six (6) months of the date of transfer (5 CCR, Section 18427[b])?</p>	<p>Material: If any of the nine (9) data elements are missing from the transfer documentation, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p> <p>Material: If the basic family data file documentation is not established within six (6) months from the date of transfer, a material error will be determined in eligibility. The error amount will be determined as in 3.4.</p>
3.5	<p>If applicable, is there documentation from the CWD indicating the parental cash-aid end date (5 CCR, Section 18424[d])?</p> <p>Was the parent transferred into CalWORKs Stage 3 in the 24th month, no later than the 1st day of the 25th month after the parental cash-aid end date (5 CCR, Section 18421[a][3][A-B])?</p>	<p>Material: If the CWD documentation (e.g. Passport to Services, GEARS, and CalWin) is missing or does not identify the parent's cash aid end date an error will be determined in eligibility. The error amount will be determined as in 3.4.</p> <p>Material: If a family is eligible and not transferred from CalWORKs Stage 1 or 2 to CalWORKs Stage 3 within the 24th month, and no later than the first day of the 25th month, an error will be determined in eligibility. The error will equal the cost of services for the sample month or for the period of time services were provided in an inappropriate alternative payment program, whichever is less.</p>

4. Eligibility

CHILD: Child Protective Services (CPS) At-Risk	FAMILY: Income Eligibility Current Aid Recipient/Other Homeless
CHILD/FAMILY: Exceptional Need (13–21 years of age)	

For a family to receive child care services, they must be deemed eligible in one (1) of the categories of eligibility. Review documentation to determine if the family is eligible for child care services.

NOTE: If parent(s) is eligible based on multiple categories, complete the questions for each applicable category.

Child Eligibility – CPS		Findings
4.1	Does the child have a written referral from the local county welfare department dated within six (6) months immediately preceding the date of Application for Services (5 CCR, Section 18092)?	<p>Material: If the CPS referral is not dated within six (6) months immediately preceding the date of the Application for Services, an error will be determined in eligibility.</p> <p>Material: If the CPS Plan does not include a statement indicating child care and development services are a necessary component of the CPS plan, an error will be determined in eligibility.</p> <p>Material: If the written referral is missing or incomplete, a material error will be determined in eligibility.</p> <p>The above material errors will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
	Does the statement include child care and development services are a necessary component of the CPS plan (5 CCR, Section 18092[a])?	
	Does the written referral include the probable duration (5 CCR, Section 18092[c])?	
	Does the written referral include the name, address, telephone number, and the signature of the county social worker (5 CCR, Section 18092[d])?	

Child Eligibility – At-Risk		Findings
4.2	Is there a statement by a legally qualified professional that the child is at risk of abuse or neglect (5 CCR, Section 18092[b])?	<p>Material: If the written referral is missing or incomplete, an error will be determined in eligibility.</p> <p>Material: If the At-Risk plan does not include a statement indicating child care and development services are needed to reduce or eliminate the risk, an error</p>
	Does the statement include child care and	

	development services are needed to reduce or eliminate the risk (5 CCR, Section 18092[b])?	will be determined in eligibility. The above material errors will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.
	Does the written referral include the probable duration which can be a maximum of three (3) months (EC 8263[b][1][B]) and (5 CCR, Section 18092[c])?	
	Does the written referral include the name, address, telephone number, and the signature of the legally qualified professional (5 CCR, Section 18092[d])?	
4.3	Were At-Risk services provided for a maximum of three (3) months (EC 8263[b][1][B]) and (5 CCR, Section 18092[c])?	Material: If At-Risk services were provided for more than three (3) months, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which services exceed the three (3) month time frame.

Child Eligibility – Exceptional Needs		Findings
NOTE: To receive a waiver of age eligibility (13–21 of age), the family must be otherwise eligible and the child must have an active Individualized Education Program (IEP) and a letter from a legally qualified professional stating the child is incapable of self-care.		
4.4	Is the child between the ages of 13–21 years of age (5 CCR, Section 18089)?	Material: If the child is not between the ages of 13-21, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which the child was not age eligible, whichever is less.
4.5	Is there evidence the child has an active IEP and a statement signed by a legally qualified professional stating the child is incapable of self care (5 CCR, Section 18089[b][1])?	Material: If there is no evidence of an active IEP, an error will be determined in eligibility. Material: If a statement signed by a legally qualified professional is missing or incomplete, an error will be determined in eligibility. Material: If the statement, signed by a legally qualified professional does not include evidence the child is incapable of self care, an error will be determined in eligibility.
	Does the statement include the name, address, license number, telephone number, and signature of the legally qualified professional (5 CCR, Section 18089[b][2])?	
		The above material errors will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.

Family Eligibility – Income Eligibility Employment Income		Findings
4.6	Is there a release authorizing the contractor to contact the employer(s) (5 CCR, Section 18084[a][1][A])? OR A declaration signed under penalty of perjury indicating such a request for income verification would adversely affect their employment (5 CCR Section 18086[b][2][F])?	File: If either the release or declaration is not present or incomplete, an error will be determined in eligibility.
4.7	Are there payroll check stubs and/or other record of wages issued by the employer (5 CCR, Section 18084[a][1][B])?	Material: If the required employment documentation is not present, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.
4.8	Is the income documentation current (the month preceding the certification or the family's current and ongoing income) (5 CCR, sections 18084[a][1][B] and 18096)?	Material: If the income documentation is not current and cannot be calculated, an error will be determined in eligibility. The error amount will be determined as in 4.7.
4.9	If applicable, did the contractor verify income documentation (5 CCR, Section 18084[b][2])?	Material: If the contractor did not verify income of a parent and verification was necessary an error will be determined in eligibility. The error amount will be determined as in 4.7.

Family Eligibility – Income Eligibility Self-Employment Income		Findings
4.10	Does the parent have a letter from the source of income OR Did the parent provide the most recently signed and completed tax returns and a statement of current estimated income, business records, or copies of documentation of all non-wage income and self certification of any income for which no documentation is possible (5 CCR, sections 18084[a][3][A], [B] & [C])?	Material: If the required self-employment income documentation is not present, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.

4.11	Is the income documentation current (the month preceding the certification or the family's current and ongoing income) (5 CCR, sections 18084[a][3] and 18096)?	Material: If the income documentation is not current and income cannot be calculated, an error will be determined in eligibility. The error amount will be determined as in 4.9.
NOTE: Definition of reliable and/or reasonable documentation is the agencies familiarity and/or knowledge of community practice.		
4.12	If applicable, did the contractor verify self-employment income documentation (5 CCR, Section 18084[b][3])?	File: If the contractor could not verify income, however, the documentation is reliable and/or reasonable, an error will be determined in eligibility.
4.13	If income cannot be independently verified, did the contractor assess whether the reported income is reasonable or consistent with community practice (via contractor attestation) for the employment (5 CCR, Section 18084[b][3])?	Material: If the contractor did not assess whether the income is reasonable or consistent with the community practice, an error will be determined in eligibility. The error amount will be determined as in 4.9.

Family Eligibility – Income Eligibility Self-Declaration of Income		Findings
NOTE: Self Declaration of Income shall only be used when all other options have been exhausted and should not be used as a default.		
4.14	When no documentation is possible, did the parent self-declare income under penalty of perjury (5 CCR, sections 18084[a][4] and [b][3])?	Material: If the self-declaration of income is necessary but not present in the family data file and/or the contractor did not assess whether the income is reasonable or consistent with the community practice, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.
	If income cannot be independently verified, did the contractor assess whether the reported income is reasonable or consistent with community practice (via contractor attestation) for the employment (5 CCR, Section 18084[b][3])?	

Family Eligibility – Income Eligibility Current Aid Recipient		Findings
4.15	Does the parent have current documentation of public cash-aid assistance (e.g. GEARS, Passport to Services, CalWin, etc.) (5 CCR, Section 18085)?	Material: If the documentation of public cash-aid assistance documentation is not in the family data file, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.

Family Eligibility - Homelessness		Findings
4.16	Does the parent have a written referral from an emergency shelter or other legal, medical or social service agency OR A written parental declaration that the family is homeless and a statement describing the family's current living situation (5 CCR, Section 18090)?	Material: If the written referral or the written parental declaration is missing or incomplete, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.

5. Family Size

Family Size		Findings
NOTE: An error in family size may also result in an error in eligibility and/or family fee.		
5.1	Is there documentation for all the children reported in the family size that indicates the relationship of the child to the parent (e.g. birth certificates, court orders, etc.) (5 CCR, Section 18100[a][1])?	Material: If the supporting documentation for the child under review is not present in the family data file, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less. File: If the supporting documentation for any child(ren) not being reviewed is not present in the family data file, an error will be determined in eligibility.
5.2	If applicable, is the presence or absence of a parent documented (e.g. records of divorce, custody agreement, rental receipt or rental agreement etc.) (5 CCR, Section 18100[a][2])? If applicable, was there a recent departure of a parent, is there subsequent documentation verifying the absence of a parent within six (6) months of applying or reporting the change of family size (5 CCR, Section 18100[a][3])?	Material: If the presence or absence of a parent is not documented, an error will be determined in eligibility. Material: If there is not documentation verifying the absence of a parent within six (6) months of applying or reporting the change of family size, an error will be determined in eligibility. The above material errors will be determined as in 5.1.
5.3	Is the family size documented correctly (5 CCR, Section 18100)?	Material: If the family size was documented inaccurately resulting in an ineligible family being certified for care, an error will be determined in eligibility. The error amount will be determined as in 5.1. File: If the family size was inaccurately documented on the Application for

Services, however does not affect the eligibility or family fee, an error will be determined in eligibility.

6. Income Calculation

The family data file shall include sufficient current documentation to determine the total countable income for the family. The reviewer shall ensure the family's income was calculated correctly and if family's eligibility is based on income, the family's income is equal to or less than 70 percent of the State Median Income (SMI).

The contractor shall calculate total countable income based on income information reflecting the family's current and on-going income.

Income Calculation		Findings
6.1	Is there an income calculation worksheet present (5 CCR, Section 18096[a])?	File: If the income calculation worksheet is missing or incomplete, however the income is calculated correctly, an error will be determined in eligibility.
6.2	Was the income calculated and documented correctly to include all individuals counted in the family size (5 CCR, sections 18096 & 18078[q])?	<p>Material: If the monthly income is miscalculated and the family is determined to be over-income, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which the family was over-income, whichever is less.</p> <p>Material: If there is insufficient income documentation present in the family data file to substantiate the family's total countable income, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p> <p>File: If the monthly income is miscalculated, however, it does not affect the family's eligibility or family fee, an error will be determined in eligibility.</p>
6.3	<p>NOTE: Fluctuating Income:</p> <p>(1) Migrant, agricultural or seasonal work: This covers workers whose annual employment has periods of highs and low to no activity (average monthly income from the preceding 12 months prior to the period that establishes eligibility for services).</p> <p>(2) Intermittent earnings or income: This covers income that is infrequent or single occurrences over a period of certification (average the intermittent income from the preceding 12 months by dividing by 12 and add this to the other countable income).</p> <p>(3) Unpredictable income: This covers parents whose income is difficult to calculate because it has no recognizable pattern (average the income from at least three (3) consecutive months and no more than 12</p>	

months proceeding the period that establishes eligibility for services).	
If applicable, was the fluctuating income updated at least every four (4) months (5 CCR, Section 18086[b][2][D])?	<p>Material: If the fluctuating income documentation included in the family data file was not updated at least every four (4) months, an error will be determined in eligibility. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p> <p>File: If the fluctuating income is not updated at least every four (4) months, however the update was completed before the review month, an error will be determined in eligibility.</p>

7. Family Fee

Total countable income and family size are the two factors which determine if a family fee is to be assessed. A new family fee schedule took effect on July 1, 2014, and applies to both existing and new families in the program.

In determining whether a part-time or full time monthly fee should be assessed: If the total certified hours are less than 130 hours, the part-time fees apply or if the total hours are 130 hours or more, the full time fee apply. If determining the family fee based on a weekly certified need multiply the number of certified hours by 4.33 and then assess according to the above.

The fees are not assessed for the following:

- Families receiving cash aid
- Children enrolled in severely handicapped program (CHAN)
- At Risk and CPS if a waiver exists, not to exceed 12 months
- Below 40% of the State median Income (SMI)

Family Fee		Findings
7.1	Was the family fee assessed correctly based on income and family size (5 CCR, Section 18109[a])?	<p>Material: If the family size and/or income are determined incorrectly and affect the assessment of the family fee, an error will be determined in family fee.</p> <p>Material: If the assessment of the family fee is incorrectly assessed (i.e. part-time vs full-time monthly), an error will be determined in family fee.</p> <p>The above material errors will equal the difference in the family fee assessed and the correctly determined family fee.</p>

7.2	Was the family fee collected (5 CCR, sections 18109[a][3] and [4])?	Material: If family fees were not collected, an error will be determined in family fee. The error amount will be determined as in 7.1.
7.3	If applicable, did the contractor retain a copy of the family fee receipt (5 CCR, Section 18113[b])?	File: If the family fee receipt is missing or incomplete, however the family fee was assessed correctly, an error will be determined in family fee.
	Does the receipt include the amount paid; the date of payment, rate of payment, and the period of service (5 CCR, Section 18113[a])?	
7.4	Did the contractor adopt policies regarding fee assessment, collection and the possible consequences for delinquent payment of fees (5 CCR, sections 18109[c], 18114, 18115, & 18116)?	Material: If delinquent family fees are not collected and do not follow the contractor's policy, an error will be determined in family fee. The error will equal the delinquent family fee not collected in the sample month. File: If the policy does not align with regulatory requirements, an error will be determined in family fee.

8. Need for Services

Employment	Parent Incapacitation
Seeking Employment	Child Protective Services (CPS)
Vocational Training	At-Risk
	Seeking Permanent Housing

For a family to receive child care services, they must have a qualifying need in one (1) of the Need for Services categories. Review the documentation to determine if the family has more than one (1) type of need.

The certified hours of care as indicated on the Notice of Action (NOA) must include and correspond with the hours and days established by the supporting need documentation within the basic family data file.

For seeking employment and seeking permanent housing, the working days used to determine the period of eligibility must include the consecutive Mondays through Fridays, excluding any federal holidays.

NOTE: The certificate and/or NOA given to the parent shall reflect the days and hours of care eligible for reimbursement and the maximum benefit level available to the parent.

Need – Employment		Findings
8.1	Does the parent have a release authorizing the contractor to obtain information regarding days and hours worked; OR A declaration signed under penalty of perjury indicating such a request for employment documentation would adversely affect their employment (5 CCR sections 18086[b][2][F] and 18086[d])?	File: If the contractor does not have a release authorizing the contractor to contact the employer, or a declaration indicating that such a request would adversely affect their employment, an error will be determined in need.
8.2	Does the documentation indicate the pay period, days, and hours of employment (e.g. payroll check stubs, employer verification, contact with employer, etc) (5 CCR, Section 18086[b])?	Material: If the required employment documentation is not present in the family data file, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.
8.3	If applicable, were the unpredictable hours of need updated at least every four (4) months (5 CCR, Section 18086[b][2][D])?	Material: If the unpredictable hours were not updated at least every four (4) months, an error will be determined in need. The error amount will be determined as in 8.2. File: If the unpredictable hours were not updated at least every four (4) months, however the update was completed before the review month, an error will be determined in need.
8.4	If applicable, were additional hours requested for travel and/or sleep time (5 CCR, Section 18086[e][1-2])?	Material: If travel and/or sleep hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR which resulted in a higher reimbursement, an error will be determined in need. The error amount will equal the difference between the maximum hours allowed by 5 CCR and the reimbursement for certified hours. File: If travel and/or sleep hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR, however it did not result in a higher reimbursement, an error will be determined in need.
8.5	Do the certified hours of care correspond with the employment documentation in the family data file (5 CCR, sections 18074.1[a] and 18086[b][2][F][i-ii])?	Material: If the certified hours of care do not have any supporting documentation an error will be determined in need. The error will equal the cost of services for the sample month. Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.

Need – Self Employment		Findings
8.6	<p>Does the parent have a declaration that includes a description of the employment and an estimate of the days and hours worked per week (5 CCR, Section 18086[c][1][A])?</p> <p>Does the parent’s documentation indicate the days and hours worked (e.g. appointment logs, client receipts, job logs, or other similar records) (5 CCR, Section 18086[c][1][B])?</p> <p>If applicable, does the parent have a business license, a workspace lease, or workspace rental agreement (5 CCR, Section 18086[c][1][C])?</p>	<p>Material: If the required self-employment documentation is not present in the family data file, an error will be determined in need.</p> <p>Material: If the documentation does not indicate the days and hours worked, an error will be determined in need.</p> <p>The above material errors will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
8.7	<p>If applicable, did the contractor assess the certified hours of care by dividing the parent’s self-employment income by the applicable minimum wage (5 CCR, Section 18086[c][3])?</p>	<p>Material: If the contractor did not assess the certified hours of care by dividing the parent’s self-employment income by the applicable minimum wage, an error will be determined in need. The error amount will be determined as in 8.2.</p>
8.8	<p>If the parent has unpredictable hours of employment, was the self-employment documentation updated at least every four (4) months (5 CCR, Section 18086[c][2])?</p>	<p>Material: If the unpredictable hours were not updated at least every four (4) months, an error will be determined in need. The error amount will be determined as in 8.7.</p> <p>File: If the unpredictable hours were not updated at least every four (4) months, however the update was completed before the review month, an error will be determined in need.</p>
8.9	<p>If applicable, were additional hours given for travel and/or sleep time (5 CCR, Section 18086[e])?</p>	<p>Material: If travel and/or sleep hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR which resulted in a higher reimbursement, an error will be determined in need. The error amount will equal the difference between the maximum hours allowed by 5 CCR and the reimbursement for certified hours.</p> <p>File: If travel and/or sleep hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR, however it did not result in a higher reimbursement, a file error will be assessed in need.</p>
8.10	<p>Do the certified hours of care correspond with the self employment documentation in</p>	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the</p>

	the family data file (5 CCR, sections 18074.1[a] and 18086[c][2])?	cost of services for the sample month. Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.
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Need – Seeking Employment		Findings
NOTE: The working days used to determine the period of eligibility must include the consecutive Mondays through Fridays, excluding any federal holidays.		
8.11	<p>Is there a written parental declaration of seeking employment (5 CCR, Section 18086.5[b])?</p> <p>Does the declaration include the parent’s plan to secure, change, or increase employment (5 CCR, Section 18086.5[b])?</p> <p>Does the declaration identify a general description of when the services will be necessary (5 CCR, Section 18086.5[b])?</p>	Material: If the required seeking employment documentation is incomplete or not present in the family data file, an error will be determined in need. The error will equal cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less
8.12	<p>Did the contractor determine the number of working days available for seeking employment and the child care schedule (5 CCR, Section 18086.5[c])?</p> <p>Are services for no more than 5 days per week and for less than 30 hours per week for a maximum of 60 working days (5 CCR, Section 18086.5[a])?</p>	<p>Material: If the certified days and/or hours exceed the limitations, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which the parent exceeded the seeking employment limitations, whichever is less.</p> <p>File: If there is no documentation which tracks the 60 days of seeking employment; however, the parent has not exceeded the 60 days, an error will be determined.</p>
8.13	If applicable, was a 20 day extension requested and authorized (5 CCR, Section 18086.5[e])?	Material: If the extension did not meet requirements, an error will be determined in need. The error amount will be determined as in 8.11.
8.14	Do the certified hours of care correspond with the seeking employment documentation in the family data file (5 CCR, sections 18074.1[a] and 18086.5[g])?	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month.</p> <p>Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.</p>

Need – Vocational Training		Findings
8.15	<p>Is the parent eligible for vocational training based on time limitations?</p> <p>(1) Six years from the initiation of services; OR</p> <p>(2) Twenty-four semester units or its equivalent after the attainment of a Bachelor's Degree (5 CCR, sections 18087[a][1] & [2] and 18087[l])?</p>	<p>Material: If the contractor certified services that exceed a vocational training limitation, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which the family was ineligible, whichever is less.</p>
8.16	<p>Is there a written statement of the parent's vocational goal (5 CCR, Section 18087[b][1])?</p> <p>Does the documentation include the name of the training institution the parent is enrolled in (5 CCR, Section 18087[b][2])?</p> <p>Does the documentation include the dates of the current quarter, semester, or training period, as applicable, will begin and end (5 CCR, Section 18087[b][3])?</p> <p>Does the documentation include a current class schedule that is either an electronic print-out OR A document that includes; the classes in which the parent is currently enrolled, the days of the week and times of day of the classes and the signature or stamp of the training institution's registrar (5 CCR, Section 18087[b][4])?</p> <p>Does the documentation include the anticipated completion date of their vocational training (5 CCR, Section 18087[b][5])?</p>	<p>Material: If the training verification documentation is missing or does not include sufficient information to determine the parents need, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less</p> <p>File: If the training verification documentation is incomplete, but there is sufficient documentation in the family data file to verify training, an error will be assessed in need.</p>
8.17	<p>If applicable, has the parent provided documentation that they are making progress toward the attainment of their</p>	<p>Material: If the required documentation of progress is not present in the family data file, an error will be determined in need. The error amount will be determined as in 8.16.</p>

	vocational goal (e.g. report card or transcript) (5 CCR, sections 18087[b][6] and 18087[f][1-2])?	
8.18	If applicable, were additional hours given for travel and/or study time (5 CCR, Section 18087[k])?	<p>Material: If travel and/or study hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR which resulted in a higher reimbursement, an error will be determined in need. The error amount will equal the difference between the maximum hours allowed by 5 CCR and the reimbursement for certified hours.</p> <p>File: If travel and/or study hours were requested and the contractor authorized more than the maximum hours allowed per 5 CCR, however it did not result in a higher reimbursement, an error will be assessed in need.</p>
8.19	Do the certified hours of care correspond with the vocational training documentation in the family data file (5 CCR, sections 18074.1[a] and 18087[i])?	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month.</p> <p>Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.</p>

Need – Parental Incapacitation		Findings
8.20	Has the parent provided a release authorizing a legally qualified health professional to disclose information (5 CCR, Section 18088[b])?	File: If the contractor does not have a release authorizing a legally qualified health professional to disclose information, an error will be determined in need.
8.21	Is there documentation provided by a legally qualified health professional (5 CCR, Section 18088[c])?	Material: If the documentation signed by the legally qualified health professional is missing or incomplete, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.
	Is there documentation of incapacitation a physical or mental health conditions that precludes the parent from providing the care and supervision needed by the child for part of the day (5 CCR, Section 18088[c][1])?	
	Does the statement include the days and hours of recommended services (5 CCR, Section 18088[c][2])?	

	Does the statement include the probable duration of the incapacitation (5 CCR, Section 18088[c][3])?	
	Does the statement include the name, business address, telephone number, and signature of the legally qualified health professional (5 CCR, Section 18088[c][4])?	
8.22	Did the contractor determine the days and hours of service based on the information provided by the legally qualified health professional not to exceed 50 hours per week (5 CCR, Section 18088[e])?	<p>Material: If the certified need for care exceeds the total hours of care requested by the health professional, an error will be determined in need. The error will equal the cost of services provided which exceeded the total hours of care requested by the health professional for the sample month or the portion of the month in which the documentation of need did not correspond to the certified hours of care, whichever is less.</p> <p>Material: If the certified need for care exceeds 50 hours per week, an error will be determined in need. The error will equal the cost of services provided which exceeded 50 hours per week for the sample month.</p>
8.23	Do the certified hours of care correspond with the incapacitation documentation in the family data file (5 CCR, sections 18074.1[a] and 18088[e])?	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month.</p> <p>Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.</p>

Need – Child Protective Services		Findings
8.24	Do the certified hours of care correspond with the statement by the local County Welfare Department for the child receiving CPS services (5 CCR, sections 18074.1[a] and 18092[a])?	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month.</p> <p>Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.</p>

Need – At Risk		Findings
8.25	Do the certified hours of care correspond with the recommendation of the licensed professional or County Social Worker for the children at risk of abuse, neglect or	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month.</p> <p>Material: If the certified hours of care do not correspond to the supporting</p>

exploitation (5 CCR, sections 18074.1[a] and 18092[b])?	documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.
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Need – Seeking Permanent Housing	Findings
<p>NOTE: The working days used to determine the period of eligibility must include the consecutive Mondays through Fridays, excluding any federal holidays.</p>	
<p>8.26 Is there a written parental declaration that the family is seeking permanent housing (5 CCR, Section 18091[b])? Does the written declaration include the parent’s search plan to secure a fixed, regular, and adequate residence (5 CCR, Section 18091[b])? Does the written declaration identify a general description of when services will be necessary (5 CCR, Section 18091[b])?</p>	<p>Material: If the written seeking permanent housing parental declaration is missing or incomplete, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
<p>8.27 Did the contractor determine the correct number of days based on the documentation provided (5 CCR, Section 18091[c])? Are services for no more than five days per week and less than 30 hours per week for a maximum of 60 working days (5 CCR, Section 18091[a])?</p>	<p>Material: If the certified days and/or hours exceed the limitations, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month in which the parent exceeded the regulatory timeframe, whichever is less File: If there is no documentation which track the 60 days of seeking permanent housing however, the parent has not exceeded the 60 days, an error will be determined.</p>
<p>8.28 If applicable, was a 20 day extension requested (5 CCR, Section 18091[d][2])?</p>	<p>Material: If the parent was given an extension, however the requirements were not met, an error will be determined in need. The error amount will be determined as in 8.26.</p>
<p>8.29 Do the certified hours of care correspond with the seeking permanent housing documentation (5 CCR, sections 18074.1[a] and 18091[c])?</p>	<p>Material: If the certified hours of care do not have any supporting documentation, an error will be determined in need. The error will equal the cost of services for the sample month. Material: If the certified hours of care do not correspond to the supporting documentation, an error will be determined in need. The error will equal the difference between what the documentation supports and what was certified.</p>

9. Notice of Action

The contractor shall mail or deliver a completed Notice of Action (NOA), Application for Services to the parents within thirty (30) calendar days from the date the application is signed by the parent(s).

Notice of Action		Findings
9.1	Is the NOA complete, accurate and contain all CCR Title 5 components (5 CCR, Section 18094)?	File: If the NOA is not complete and/or accurate, an error will be determined in eligibility.
9.2	Was the NOA issued within 30 calendar days from the date the parent signed the Application for Services (5 CCR, Section 18118)?	File: If the contractor did not send out a NOA within 30 calendar days from the date the Application for Services was signed by the parent, an error will be determined in eligibility.
9.3	Did the contractor notify parents of due process requirements (5 CCR, Section 18120)?	File: If the contractor did not notify the parent of due process requirements, an error will be determined in eligibility.

10. Attendance

The attendance record is the primary source document for audit and reimbursement purposes. When reviewing the attendance record, the hours of care the child utilizes should broadly correspond with the certified hours of care as identified on the applicable NOA.

Attendance	Findings
<p>NOTE: As of July 1, 2014, child care providers authorized to provide subsidized child care services to families, are required to submit a monthly attendance record or invoices to the AP or CalWorks contractors. Contractors should define the term "broadly consistent" and must set and implement policies that detail the consequences for parents and/or providers who submit incomplete attendance records or invoices. Consequences may include, but are not limited to withholding reimbursement; terminating the business relationship with the provider, or terminating services to the family for continual violation of written policies.</p>	
<p>NOTE: The following are samples of the issues that may raise concern about the completion of the attendance record being completed on a daily basis (time of arrival and departure).</p>	

- **Provider enters the times for school on a holiday** – A school-aged child has the times in/out for care on an attendance record or invoice on non-school days.
- **Conflicting usage of two (2) providers** – Two (2) attendance records or invoices are present and each shows a child received care at the same time during a specific day in different facilities.
- **Provider not entering the out/in times for a school age child** – The provider has not entered the school-aged child’s time out/in times of care on the attendance record or invoice on a scheduled school day.

NOTE: The attendance record should NOT be sent back for corrections.

<p>10.1</p>	<p>Does the monthly attendance record or invoice contain the name of the child receiving services (Management Bulletin (MB) 14-04)?</p> <hr/> <p>Does the monthly attendance record or invoice contain the specific date services were provided (MB 14-04)?</p> <hr/> <p>Does the monthly attendance record or invoice contain the signatures of both the provider and the parent at the end of each month, attesting under penalty of perjury, that the information provided on the attendance record or invoice is accurate (MB 14-04)?</p> <hr/> <p>Does the monthly attendance record/invoice contain the actual times the child entered and the time the child departed care for each day services were provided (MB 14-04)?</p>	<p>Material: If the contractor did not set and implement policies outlining the consequences for parents and/or providers who submit incomplete attendance records or invoices, an error will be determined in need. The error will equal the cost of services provided for the sample month or the portion of the month which there was insufficient documentation, whichever is less.</p>
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10.2	For school age children, does the attendance record or invoice document the time when a school-age child departs for and returns from school during the day (MB 14-04)?	Material: If the contractor’s authorized representative did not note the time when a school aged child departs and returns from school during the day, an error will be determined in provider reimbursement. The error amount will be determined as in 10.1.
10.3	If applicable, if the attendance record or invoice has issues that raise concerns that it was not filled out on a daily basis, does the contractor implement their policies (MB 14-04)?	Material: If the attendance record or invoice has issues that raise the concern that it was not filled out on a daily basis, and these issues were not addressed through policies adopted by the contractor, an error will be determined in need. The error amount will be determined as in 10.1.
10.4	If applicable, if the attendance record or invoice has non-operational days listed, did the contractor track to ensure that the provider has not exceeded the reimbursable 10 non-operational days (5 CCR, Section 18076 (b)(2), MB 14-04)?	Material: If the contractor did not set and implement policies outlining how the providers will report non-operational days and how they will track these days, an error will be determined in need. The error amount will be determined as in 10.1.
10.5	Does the attendance record broadly correspond with the certified hours of care indicated on the applicable Notice of Action or child care certificate (5 CCR, sections 18074.1[a] and 18094[b][5], MB 14-04)?	Material: If the attendance record or invoice is not broadly consistent (as defined by the contractor) and the contractor has not followed their written policy, an error will be determined in provider reimbursement. The error will equal the cost of the services provided for the sample month or the portion of the month in which the documentation of attendance/need did not correspond to the certified hours of care, whichever is less.

11. Reimbursement Determination	
Provider Information <ul style="list-style-type: none"> • Multiple Providers • Licensed child care center/ Licensed family home • License-exempt Providers 	Regional Market Rate (RMR) Selection Provider Reimbursement

Provider Information:

Multiple Providers		Findings
11.1	<p>If applicable, does the parent use multiple providers? Is the primary provider unable to accommodate all hours of certified care needed; OR</p> <p>One provider is not a licensed center and the parent has chosen a licensed center for specific purposes of providing the child with large group school readiness experiences (5 CCR, Section 18076.3)?</p>	<p>Material: If the parent is using multiple providers and the primary provider is able to accommodate all hours of certified need for care, an error will be determined in provider reimbursement. The error amount will be the cost of services to the secondary provider.</p>

Licensed Child Care Center/ Licensed Family Home		Findings
11.2	<p>NOTE: Written information the provider gives to private pay families should be included in the provider records. The information should include the business contact information, provider's policies or practices, and rates (e.g. hours of operation, holidays, etc.).</p> <p>Is there written documentation of the service provider's current fees (5 CCR, Section 18231[a])?</p> <p>Is there a document that contains the rate and schedule of payment for approved services that is signed by both the service provider and contractor (5 CCR, Section 18231[c])?</p> <p>Is there a copy of the facility license that shows the authorized capacity of the facility (5 CCR, Section 18231[d])?</p> <p>Is there documentation that includes the name, physical address, and telephone number of the service provider (5 CCR, Section 18231[e])?</p>	<p>Material: If the provider's written documentation is missing or incomplete, an error will be determined in provider reimbursement. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
11.3	<p>Is the licensed provider's rate sheet self-generated (EC 8222)?</p>	<p>Material: If the license provider's self-generated rate sheet is not located in the provider record or is not self-generated, an error will be determined in provider reimbursement. The error amount will be determined as in 11.2.</p>

License-Exempt Provider		Findings
11.4	<p>Is the provider at least eighteen (18) years of age (5 CCR, Section 18411[c][2][A])?</p> <p>Does the provider meet or exempt from Health and Safety requirements (5 CCR, Section 18411[c][2][B])?</p> <p>Is there documentation that includes the name, physical address, and telephone number of the service provider (5 CCR, Section 18231[e])?</p>	<p>Material: If the provider is not at least eighteen (18) years of age and/or the provider's written documentation is missing or incomplete, an error will be determined in provider reimbursement. The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.</p>
11.5	<p>NOTE: If the provider is exempt from Trustline they must be an aunt, uncle, or grandparent of the child receiving child care services (Title 22 CCR, sections 101158[B] and 102358).</p> <p>Is the license-exempt non-relative provider Trustlined; OR Is the license-exempt relative provider exempt from Trustline (5 CCR, Section 18411[c][2][C])?</p>	<p>Material: If the license-exempt non-relative provider is not Trustlined or the license-exempt relative provider is not an aunt, uncle, or grandparent, an error will be determined in provider reimbursement. The error amount will be determined as in 11.4.</p>
11.6	<p>Is the license-exempt provider's rate sheet present and if the rate sheet is generated by the contractor, is the provider given the option of reporting their own rate (5 CCR, Section 18231[c])?</p>	<p>Material: If the license-exempt provider's rate sheet is not present and/or does not include the option of reporting their own rate, an error will be determined in provider reimbursement. The error amount will be determined as in 11.4.</p>
11.7	<p>If applicable, Does the in-home exempt provider meet the contractor's policy regarding the minimum number of children to ensure the provider receives reimbursement equivalent to minimum wage or does the parent provide the contractor the documentation required per the Domestic Workers Act? (5 CCR, Section 18411[d])?</p>	<p>Material: If the in-home license-exempt provider does not meet the contractor's policy regarding the minimum number of children to ensure the provider receives reimbursement equivalent to minimum wage or does not provide the contractor the documentation required per the Domestic Workers Act, an error will be determined in provider reimbursement. The error amount will be determined as in 11.4.</p>

Regional Market Rate (RMR) Selection: The RMR ceiling is the parent's maximum child care assistance level. It is not necessarily equal to the provider's rate. The contractor should select the ceiling consistently for similarly situated families based on state regulations and contractor's policies.

Regional Market Rate (RMR) Selection		Findings
11.8	Was the selection of the RMR determined correctly based on age of child, certified need for care, and facility type (5 CCR, Section 18074.2)?	Material: If the RMR ceiling is selected incorrectly an error will be determined in provider reimbursement. The error will equal the difference between the provider reimbursement paid by the contractor and the correct determined reimbursement.
11.9	<p>NOTE: Adjustments are made on the following:</p> <p>Evening and/or Weekend Care - Adjustments are used for weekend and evening care. An adjustment is applied to the RMR ceilings for a licensed provider and cannot be applied to the hourly rate ceiling. No adjustment should be made for license-exempt providers.</p> <p>Children with Exceptional Needs - Adjustments are made only when there is documentation that additional services and or accommodations are being provided and such services and/or accommodations result in an on-going financial impact on the provider (will be adjusted on the RMR or provider rate whichever is lower).</p>	
	If applicable, was an adjustment to the RMR determined correctly based on evening and/or weekend care and/or IEP (5 CCR, sections 18075.1 & 18075.2)?	Material: If the adjustment to the RMR is incorrect, a material error will be determined in provider reimbursement. The error amount will be determined as in 11.7.

Provider Reimbursement: Determine the reimbursement rate by reviewing the appropriate RMR ceiling AND the providers rate(s) or invoice? Compare the newly calculated reimbursement to the reimbursement that was paid to the provider.

Provider Reimbursement		Findings
11.10	Was the appropriate reimbursement rate selected based on the RMR (maximum subsidy amount) and the provider's rates, whichever is less (5 CCR, sections 18428[a] and 18074.1)?	Material: If the appropriate reimbursement rate was not selected, an error will be determined in provider reimbursement. The error will equal the difference between the provider reimbursement paid by the contractor and the correctly determined reimbursement.

11.11	<p>NOTE: When to Pro-Rate:</p> <ol style="list-style-type: none"> 1. When the beginning or ending date of care occurs in the middle of the period covered by the ceiling (or rate). 2. When a weekly ceiling (or rate) is being used, and the contractor is computing reimbursement on a monthly basis – beginning or end of month bisects a week. 3. When a legal limitation affects the amount reimbursed for the parent – the limitation can be: <ul style="list-style-type: none"> • Specified in regulations (e.g., limitations on days of non-operation) (5 CCR, Section 18076.2[b][2]) 4. When the provider is family, friend and neighbor (license-exempt), and the care is full time, the pro-rated reimbursement is calculated in the same manner as for licensed providers. 	
	If applicable, was the proration determined correctly?	Material: If the adjustment was not made correctly, an error will be determined in provider reimbursement. The error will be determined as in 11.9.
11.12	If applicable, was an adjustment made to the reimbursement based on children with exceptional needs and was it determined correctly (will be adjusted on the RMR or provider rate whichever is lower) (5 CCR, Section 18075.2)?	Material: If the adjustment was not made correctly, an error will be determined in provider reimbursement. The error will be determined as in 11.9.

II. Resource Tools

1. Process to Select Sample Size

Contractors will use this guide to review a sampling of their family files. All direct service contracts are combined for the purpose of selecting the sample size. To identify the sample size complete the following:

Step 1:

To establish a sample size, go to the Raosoft web site at <http://www.raosoft.com/samplesize.html>. Enter the following data:

- Margin = 10%
- Confidence Level = 90%
- Population size = the total number of children reported to CDD on the 801A data report for the selected sample month
- Response distribution = 15%

A sample size will automatically be displayed.

Step 2:

To determine the interval counts to select children from the list. To do this:

- Divide the total number of children by the number of files to be sampled. For example, 400 (total # of children) divided by 60 (sample size) = 6.66 (round up to 7).
- Pick any number from 1 to 100 to be the first child selected on the list (e.g., 24).
- Beginning with the first child to be reviewed (#24), count down 7 children to the 2nd child to be reviewed.
- Continue through the remainder of the list and cycle back to the beginning of the list until the sample size is reached (e.g., 60 family files to review).

2. Alternative Payment Monitoring Checklist

The Alternative Payment Monitoring (APM) Checklist (pp. 29-37) is a tool to assist in reviewing a family's data file, attendance record and provider records in accordance to *EC* and *5 CCR* regarding Alternative Payment Programs.

The APM Checklist should only be used once the reviewer has thoroughly reviewed and understood each section of the Alternative Payment Review Guide. The APM Checklist includes generalized questions that correspond numerically with the guide. “N/A”, “Y” and, “N” columns are included next to each question.

Answering “N/A” to a question indicates a question is not applicable to the family file under review.

Answering “Y” to a question indicates the question meets all required regulations and/or statutes. If “Y” is answered to all questions on the checklist, the file is in compliance.

Answering “N” to a question indicates there is a material or file error. The reviewer will determine whether a material or file error is assessed by referencing “Findings” next to each question in the Alternative Payment Review Guide. To determine the material error amount, refer to section 3: Method to Determine Material Error Amount.

Material Error

A material error is an error that results in an improper reimbursement of services. A material error occurs when the requirements in statutes or regulations are either misapplied and/or when there is insufficient or conflicting documentation to support:

- A decision regarding eligibility and need
- Correct amount of reimbursement, and/or
- Family fee

File Error

A file error occurs when federal and state requirements are not met, but the result is not an improper reimbursement of services.

When the review of a family data file is complete, the reviewer shall document the contractor’s determination of provider reimbursement and family fee (if applicable).

If the contractor collects the family fee, the gross payment will equal the provider reimbursement. If the contractor does not collect the family fee, the gross payment equals the provider reimbursement plus the family fee.

If a material error is found during the review, the error amount will be calculated as indicated in the findings section for that particular error. The reviewer will then document the correctly determined reimbursement amount on the APM Checklist.

NOTE: Regardless of whether multiple errors are found, the determined error cannot exceed the gross payment for the review month.

Alternative Payment Monitoring Review Checklist

Child's Name:		Child's Birthday:	
Agency Name:		Site Name:	
Review Month:		Reviewer's Name:	
File ID or Number:	Contract Type:	Date of Self-Evaluation:	
Reimbursement Determined by:	Contractor	Reviewer	Eligibility Error Amount (\$):
Provider Reimbursement (\$):			Need Error Amount (\$):
Family Fee (\$):			Family Fee Error Amount (\$):
Gross Payment (\$):			Provider Reimbursement Amount(\$):
			Total Error Amount (\$):

While reviewing a family data file, if any of the following questions are answered "No", an error will be assessed. Refer to the Review Guide for clarification on type of error (material or file).

	Child Reported on the CDD 801A	N/A	Y	N	Material	File
1.1	Did the child receive services in the test month?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

	Certification and Recertification (Application for Services)	N/A	Y	N	Material	File
2.1	Is the Application for Services present?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
2.2	Was the Application for Services complete?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Was the application completed prior to serving the child?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
2.3	If applicable, did the recertification occur within 12 months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	If applicable, did the recertification occur within 3 months from initial certification for At-risk of abuse, neglect or exploitation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
2.4	Does the family data file contain a Child Care Data Collection Privacy Notice and Consent Form (9600A)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
2.5	Does the family data file contain all child health and current emergency information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>

	CalWORKs Stage 2 (C2AP)	N/A	Y	N	Material	File
3.1	If applicable, was the parent transferred from a CalWORKs Stage 1 or CalWORKs Stage 2 contractor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Were the nine (9) data elements obtained by the receiving contractor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	If applicable, was the basic data file established within six (6) months of the date of transfer?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
3.2	If applicable, was the parent found eligible at initial enrollment for CalWORKs Stage 2?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there documentation from the County Welfare Department (CWD) indicating the receipt of cash-aid?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
3.3	If applicable, is there documentation from the CWD indicating the parental cash-aid end date?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is the parent within the 24 month time limit which begins the first day of the month immediately following the month the adult is no longer receiving CalWORKs cash-aid?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Was the parent transferred into CalWORKs Stage 3 appropriately and timely?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Child Eligibility – CPS	N/A	Y	N	Material	File
4.1	Does the parent have a written referral from the local county Department of Social Services dated within six (6) months immediately preceding the date of Application for Services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the statement include that child care and development services are a necessary component of the CPS plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does it include the probable duration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does it include the name, address, telephone number, and the signature of the county social worker?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Child Eligibility – At Risk	N/A	Y	N	Material	File
4.2	Is there a statement by a legally qualified professional or county social worker that the child is at risk of abuse or neglect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the statement include child care and development services are needed to reduce or eliminate the risk?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Does the written referral include the probable duration for a maximum of three (3) months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the written referral include the name, address, telephone number, and the signature of the legally qualified professional?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.3	Were at risk services provided for a maximum of three (3) months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Child Eligibility – Exceptional Needs	N/A	Y	N	Material	File
4.4	Is the child between 13–21 years of age?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.5	Is there evidence that the child has an active IEP and a statement signed by a legally qualified professional stating that the child is incapable of self-care?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the statement include the name, address, license number, telephone number, and signature of the legally qualified professional?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Family Eligibility – Income Eligibility – Employment Income	N/A	Y	N	Material	File
4.6	Is there a release authorizing the contractor to contact the employer(s)? OR A declaration signed under penalty of perjury indicating such a request for income verification would adversely affect their employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
4.7	Are there payroll check stubs and/or other record of wages issued by the employer?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.8	Is the income documentation current (the month preceding the certification or the family’s current and ongoing income)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.9	If applicable, did the contractor verify income documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

	Family Eligibility – Income Eligibility – Self Employment Income	N/A	Y	N	Material	File
4.10	Does the parent have a letter from the source of income? OR Did the parent provide the most recently signed and completed tax returns with a statement of current estimated income, business records, or copies of documentation of all non-wage income and self certification of any income for which no documentation is possible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.11	Is the income documentation current (the month preceding the certification or the family’s current and ongoing income)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
4.12	If applicable, did the contractor verify self-employment income documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
4.13	If income cannot be independently verified, did the contractor assess whether the reported income is reasonable or consistent with community practice (via contractor attestation) for the employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

Family Eligibility – Income Eligibility – Self Declaration of Income		N/A	Y	N	Material	File
4.14	When no documentation is possible, did the parent self-declare income under penalty of perjury?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	If income cannot be independently verified, did the contractor assess whether the reported income is reasonable or consistent with community practice for the employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

Family Eligibility – Income Eligibility – Current Aid Recipient		N/A	Y	N	Material	File
4.15	Does the parent have current documentation of public cash-aid assistance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

Family Eligibility - Homelessness		N/A	Y	N	Material	File
4.16	Does the parent have a written referral from an emergency shelter or other legal, medical or social service agency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	OR A written parental declaration that the family is homeless and a statement describing the family's current living situation?					

Family Size		N/A	Y	N	Material	File
5.1	Is there documentation for all the children reported in the family size that indicates the relationship of the child to the parent?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
5.2	If applicable, is the presence or absence of a parent documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	If applicable, was there a recent departure of a parent, is there subsequent documentation verifying the absence of a parent within six (6) months of applying or reporting the change of family size?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
5.3	Is the family size determined correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

Income Calculation		N/A	Y	N	Material	File
6.1	Is there an income calculation worksheet present?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
6.2	Was the income calculated and documented correctly to include all individuals counted in the family size?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
6.3	If applicable, was the fluctuating income updated at least every four (4) months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

	Family Fee	N/A	Y	N	Material	File
7.1	Was the family fee assessed correctly based on income and family size?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
7.2	Was the family fee collected?					
7.3	If applicable, did the contractor retain a copy of the family fee receipt?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Does the receipt include the amount paid; the date of payment, rate of payment, and the period of service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
7.4	Did the contractor adopt policies regarding fee assessment, collection and the possible consequences for delinquent payment of fees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

	Need – Employment	N/A	Y	N	Material	File
8.1	Does the parent have a release authorizing the contractor to obtain information regarding days and hours worked? OR A declaration signed under penalty of perjury indicating such a request for employment documentation would adversely affect their employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.2	Does the documentation indicate the pay period, days and hours of employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.3	If applicable, were the unpredictable hours of need updated at least every four (4) months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.4	If applicable, were additional hours requested for travel and/or sleep time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.5	Do the certified hours of care correspond with the employment documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – Self-Employment	N/A	Y	N	Material	File
8.6	Does the parent have a declaration that includes a description of the employment and an estimate of the days and hours worked per week?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the parent's documentation indicate the days and hours worked?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	If applicable, does the parent have a business license, a workspace lease, or workspace rental agreement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.7	If applicable, did the contractor assess the certified hours of care by dividing the parent's self-employment income by the applicable minimum wage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.8	If parent has unpredictable hours of employment, was the self-employment documentation updated at least every four (4) months?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.9	If applicable, were additional hours given for travel and/or sleep time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.10	Do the certified hours of care correspond with the self-employment documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – Seeking Employment	N/A	Y	N	Material	File
8.11	Is there a written parental declaration of seeking employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the declaration include the parent’s plan to secure, change, or increase employment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the declaration identify a general description of when the services will be necessary?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.12	Did the contractor determine the number of working days available for seeking employment and the child care schedule?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Are services for no more than 5 days per week and for less than 30 hours per week for a maximum of 60 working days?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.13	If applicable, was a 20 day extension authorized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.14	Do the certified hours of care correspond with the seeking employment documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – Vocational Training	N/A	Y	N	Material	File
8.15	Is the parent eligible for vocational training based on time limitations? (1) Six years from the initiation of services; OR (2) Twenty-four semester units or its equivalent after the attainment of a Bachelor’s Degree?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.16	Is there a written statement of the parent’s vocational goal?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Does the documentation include the name of the training institution that the parent is currently enrolled?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Does the documentation include the dates of the current quarter, semester, or training period, as applicable, will begin and end?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Does the documentation include a current class schedule that is either an electronic print-out? OR A document that includes: the classes in which the parent is currently enrolled, the days of the week and times of day of the classes and the signature or stamp of the training institution’s registrar?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Does the documentation include the anticipated completion date of their vocational training?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.17	If applicable, has the parent provided documentation that they are making progress toward the attainment of their vocational goal (e.g. report card or transcript)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.18	If applicable, were additional hours given for travel and/or study time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

8.19	Do the certified hours of care correspond with the vocational training documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
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	Need – Parental Incapacitation	N/A	Y	N	Material	File
8.20	Has the parent provided a release authorizing a legally qualified health professional to disclose information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.21	Is there documentation of incapacitation provided by a legally qualified health professional?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there a statement that the parent is incapable of providing care?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the statement include the days and hours of recommended services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the statement include the probable duration of the incapacitation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.22	Does the statement include the name, business address, telephone number, and signature of the legally qualified health professional?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Did the contractor determine the days and hours of service based on the recommendation of the legally qualified health professional not to exceed 50 hours per week?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.23	Do the certified hours of care correspond with the incapacitation documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – Child Protective Services	N/A	Y	N	Material	File
8.24	Do the certified hours of care correspond with the CPS documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – At Risk	N/A	Y	N	Material	File
8.25	Do the certified hours of care correspond with the At Risk of abuse, neglect, or exploitation documentation in the family data file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Need – Seeking Permanent Housing	N/A	Y	N	Material	File
8.26	Is there a written parental declaration that the family is seeking permanent housing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the written declaration include the parent's search plan to secure a fixed, regular, and adequate residence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the written declaration identify a general description of when services will be necessary?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

8.27	Did the contractor determine the correct number of days based on the documentation provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
	Are services for no more than 5 days per week and for less than 30 hours per week for a maximum of 60 working days?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
8.28	If applicable, was a 20 day extension requested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
8.29	Do the certified hours of care correspond with the seeking permanent housing documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

Notice of Action		N/A	Y	N	Material	File
9.1	Is the NOA complete, accurate, and contains all CCR Title 5 components?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
9.2	Was the NOA issued within 30 calendar days from the date the parent signed the Application for Services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>
9.3	Does the contractor notify parent of due process requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

Attendance		N/A	Y	N	Material	File
10.1	Does the monthly attendance record or invoice contain the name of the child receiving services; specific dates services were provided; the actual times the child arrived/departed; and the signatures of the parent and provider at the end of the month?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
10.2	For school age children, does the attendance record or invoice document the time when a school-age child departs for and returns from school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
10.3	If applicable, if the attendance record or invoice has issues which raise concerns that it was not filled out on a daily basis, does the contractor implement their policies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
10.4	If applicable, if the attendance record or invoice has non-operational days listed, did the contractor track to ensure that the provider has not exceeded the reimbursable 10 non-operational days?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
10.5	Does the attendance record broadly correspond with the certified hours of care indicated on the applicable Notice of Action or child care certificate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	<input type="checkbox"/>

Reimbursement Determination – Multiple Providers		N/A	Y	N	Material	File
11.1	If applicable, does the parent use multiple providers? Is the primary provider unable to accommodate all hours of certified care needed; OR One provider is not a licensed center and the parent has chosen a licensed center for specific purposes of providing the child with large group school readiness experiences?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Reimbursement Determination – Licensed Child Care Center/ Licensed Family Home	N/A	Y	N	Material	File
11.2	Is there written documentation of the service provider’s current fees (provider’s usual and customary services provided for those fees)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there a document that contains the rate and schedule of payment for approved services that is signed by both the service provider and contractor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there a copy of the facility license that shows the authorized capacity of the facility?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there documentation that lists the name, physical address, and telephone number of the provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there documentation that list the age groups served by the provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.3	Is the licensed provider’s rate sheet created by the provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Reimbursement Determination – Licensed Exempt Provider	N/A	Y	N	Material	File
11.4	Is the provider at least eighteen (18) years of age?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Does the provider meet or exempt from Health and Safety requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
	Is there documentation that lists the name, physical address, and telephone number of the provider?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.5	Is the license-exempt non-relative provider Trust lined; OR Exempt from Trust line?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.6	Is the license-exempt provider’s rate sheet present and if the rate sheet is generated by the contractor does it give the provider the option of reporting their own rate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.7	If applicable, Does the in-home exempt provider meet the contractor’s policy regarding the minimum number of children to ensure the provider receives reimbursement equivalent to minimum wage or does the parent provide the contractor the documentation required per the Domestic Workers Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Reimbursement Determination – Regional Market Rate (RMR) Selection	N/A	Y	N	Material	File
11.8	Was the selection of the RMR determined correctly based on age of child, certified need for care, and facility type?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.9	If applicable, was an adjustment to the RMR determined correctly based on after hours care and/or IEP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

	Reimbursement Determination – Provider Reimbursement	N/A	Y	N	Material	File
11.10	Was the appropriate reimbursement rate selected based on the RMR and the provider's rates?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.11	If applicable, was the proration determined correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.12	If applicable, was an adjustment made to the reimbursement based on children with exceptional needs and was it determined correctly (will be adjusted on the RMR or provider rate whichever is lower)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	
11.13	Was the reimbursement amount correct?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$	

3. Method to Determine Material Error Amount

When a material error is found while completing the APM checklist, the reviewer can utilize the calculation example below to determine the material error amount.

The error will equal the cost of services provided for the sample month or the portion of the month in which there was insufficient documentation, whichever is less.

Example: Provider was reimbursed \$500 for the sample month:

If there is insufficient documentation for the entire sample month, the error equals the cost of services provided.

Example:

\$500.00	- Provider Reimbursement
\$ 0.00	- Correctly Calculated Reimbursement
\$500.00	- Material Error Amount

If there is insufficient documentation for any portion of the month, the error will equal the difference between what was reimbursed and the correctly determined reimbursement based on sufficient documentation.

Example:

\$500.00	- Provider Reimbursement
\$275.00	- Correctly Calculated Reimbursement
\$225.00	- Material Error Amount

4. Error Rate Determination

The Error Rate Worksheet (p. 40) can be utilized to determine the error rate for the entire sample. After completing the APM Checklist for every family data file in the sample, transfer the results to the Error Rate Worksheet. It will document each error found in the random sample. Once all the names and errors have been entered the error rate can be calculated.

To calculate the error rate percentage, divide the Total Dollar Error column by the total Gross Payment. The contractor may break down the error rate percentage for each category (Eligibility, Need, Family Fee, and Provider Reimbursement). To calculate, divide each individual column by Gross Payment.

Example:

File #	Child Name	Reimbursement (CDEs x Rate)	Eligibility Dollar Errors	Need Dollar Errors	Attendance Dollar Errors	Family Fee Dollar Errors	Total Dollar Errors
01	Maria Garcia	\$643.00	\$643.00				\$643.00
08	Joseph Glass	\$892.50		\$245.00			\$245.00
10	Susie Yee	\$525.31					\$50.00
31	Eric Onye	\$235.00			\$235.00		\$235.00
44	Abdul Mohammed	\$350.00				\$80.00	\$80.00
Review Month Totals:		\$2,645.81	\$643.00	\$245.00	\$235.00	\$80.00	\$1,253.00
Error Rate Percentage:			24%	9%	9%	3%	47%

5. Error Rate Reduction Plan

When an error rate estimate is greater than 10 percent, the contractor will develop an Error Rate Reduction Plan. The plan assists the contractor by strategically analyzing, correcting and validating the processes necessary to ensure compliance.

To develop an Error Rate Reduction Plan, the contractor should:

1. Analyze the identified errors to determine how and why the errors were made.
2. Develop the process(es) necessary to remedy the errors.
3. Develop specific training for all staff involved.
4. Develop a Quality Assurance Process to validate the accuracy of documentation and processes.
5. Establish a timeline for implementation.

6. File Errors Determination

When a file error occurs, the contractor will develop a Corrective Action Plan. The plan assists the contractor by strategically analyzing, correcting and validating the processes necessary to ensure compliance.

To develop a Corrective Action Plan, the contractor should:

6. Analyze the identified errors to determine how and why the errors were made.
7. Develop the process(es) necessary to remedy the errors.
8. Develop specific training for all staff involved.
9. Develop a Quality Assurance Process to validate the accuracy of documentation and processes.
10. Establish a timeline for implementation.