

I. CHAPTER OVERVIEW

This chapter describes the requirements and procedures for enrollment and approval of licensed and G.S. 110-106 facilities and other types of child care programs that are eligible to participate in the Subsidized Child Care (SCC) Program.

II. ENROLLMENT REQUIREMENTS

Child care providers must enroll in the SCC Program through the local purchasing agency (LPA). The purpose of the provider enrollment process is to determine if the provider selected by the parent is operating legally and to collect rate information from the provider in order for the provider to be approved for payment.

The enrollment process begins at the county level and results in the issuance of an Approval Notice for each provider. The Approval Notice serves as notification to the LPA that the provider is eligible to receive state and federal subsidy funds for child care. In order to receive an Approval Notice, the program must meet the applicable licensing requirements for the age groups of children in care. The Approval Notice is generated by the Division of Child Development (DCD) and can be accessed in the SCC Reimbursement System that is maintained by DCD. The information on the Approval Notice includes the same information that is printed on the [License](#) or [Notice of Compliance](#).

All providers who choose to care for children receiving SCC funding must have an Approval Notice in order to receive payment, with the exception of:

- Nonlicensed home providers
- In-home providers
- Transportation-only providers
- Out-of-state providers
- G.S. 110-106 programs requesting that direct payments be made to parents.

A. Licensed and Regulated Child Care Providers

In order to receive subsidy funds, providers operating child care programs such as preschools, before- and after-school programs, summer day camps, and other child care programs which are not required to be regulated according to State law, **must** be licensed and be issued an Approval Notice. Religious-sponsored programs do not have to be licensed to operate and may operate with a Notice of Compliance. A Notice of Compliance must be obtained before religious-sponsored programs can be issued an Approval Notice and receive payment for

subsidy. Programs operated in public schools must also be licensed to receive subsidy funds.

An unregulated provider who desires to be licensed by DCD in order to participate in the SCC Program should contact DCD at (919) 662-4527 or 1-800-859-0829 and request the Basic Information for Potential Providers of a Licensed Center or Basic Information for Potential Providers of a Family Child Care Home. This information will explain how the provider should proceed with the licensing process. Summer day camp, providers who desire to participate in the SCC Program should refer to Section II. C of this chapter for information specific to their program.

B. Providers with a Temporary License

A provider who is seeking approval to operate a family child care home or a center may receive temporary approval from DCD to operate upon completion of the licensing requirements. When it is determined that the provider is in compliance with the requirements, the Regulatory Services Section Licensing Consultant issues a handwritten license (home) or [Temporary License](#) (center) for 6 months to operate, before the permanent license can be issued. This allows the provider to begin operating immediately without a waiting period.

Providers who have received a handwritten or Temporary License are eligible for enrollment in the SCC Program. The provider must sign the Application For Enrollment to be a Provider of Subsidized Child Care ([DCD-0451](#)) and other required forms in order to be approved. The LPA may request a copy of the handwritten license or Temporary License before enrolling children. The [license ID#](#) issued by the Regulatory Services Section is indicated on the handwritten license or Temporary License. The LPA submits a copy of the completed and signed Application For Enrollment (DCD-0451) to DCD in order for an Approval Notice to be generated in the SCCRS.

The LPA should inform the provider that there could be a delay in payments, depending on the time it takes the provider to complete the forms required for a Temporary License to be issued. **Payments are not made until the inspections, checklist, and forms have been completed and a Temporary License and Approval Notice have been issued.** The effective date on the Approval Notice cannot be earlier than the effective date of the license or the date on the response to the letter of intent. Once the provider receives a Temporary License and an Approval Notice, any changes that occur during the Temporary License period should be submitted by the Regulatory Services Section Licensing Consultant to DCD, following regular change procedures.

C. Summer Day Camp Providers

[Summer day camps](#) are considered seasonal recreation programs (programs that operate less than four consecutive months out of the year) and are not required to obtain a license from DCD **unless they choose to enroll children receiving subsidies**. Providers who operate a year-round licensed program but choose to operate a summer day camp that is separate (i.e., located on a separate site, building or classroom and not included in the license of the year-round program) must become licensed and have a separate Approval Notice in order to receive SCC payments.

Summer day camp requirements are primarily the licensing requirements **for school-age children**. *Summer day camps that enroll preschool children are not considered to be summer day camps and must meet the child care center licensing requirements which apply to the youngest child enrolled.* Summer day camp providers who comply with the summer day camp licensing requirements will receive a Temporary License for the time period the program operates.

During the licensing process for a summer day camp, the Regulatory Services Section Licensing Consultants will provide the summer day camp provider with a summer day camp package which includes the Application for Enrollment ([DCD-0451](#)) and the Private Paying Rates and Other Fees ([DCD-0458](#)). It is the responsibility of the summer day camp provider to complete these forms and to submit them to the LPA along with any other required forms. Staff at the LPA will maintain the original forms in the provider's file and submit a copy of the Application for Enrollment (DCD-0541) to the Data Management Unit in the Subsidy Services Section for the issuance of the initial Approval Notice. Once the Data Management Unit receives this information, an Approval Notice will be processed with the effective dates on the license. If a summer day camp receives a license and later decides to seek approval for subsidy funds, the steps described in [Section III](#) below are followed by LPA staff.

The approval period for summer day camp programs will be the time period for which the program is licensed, but not to exceed four (4) months. Summer day camp providers must complete the required forms each year if they wish to participate in the SCC Program. Providers who operate a summer day camp on a regular basis year after year need to check with their Regulatory Services Section Licensing Consultant to find out which forms are required.

D. Out-of-County Provider

The LPA is required to obtain a completed Application For Enrollment to be a Provider of Subsidized Child Care ([DCD-0451](#)) from an out-of-county

provider. Before processing the Application For Enrollment the child care social worker in the LPA can check the SCCRS to see if the out-of-county facility participates in the SCC program. Another option is for the child care social worker to call the Division's Data Management Unit at (919) 662-4561 to determine if the facility participates in the SCC Program. If the facility does not already have an Approval Notice, follow the steps described in this chapter. If the facility is already enrolled in the SCC Program, the LPA does not submit an Application For Enrollment to the Data Management Unit; however; the LPA may request either by e-mail or telephone that the county be listed as a contracting agency on the Approval Notice.

The county that is listed on the Application For Enrollment is the county that is responsible for making the payments. The rate will be the market rate or the private paying rate, whichever is lower, in the county in which care is provided.

III. PROCEDURES TO GENERATE AN INITIAL APPROVAL NOTICE

The following information must be entered on the Application For Enrollment to be a Provider of Subsidized Child Care ([DCD-0451](#)). These procedures apply to all types of child care providers. A separate enrollment form must be completed for each site if the owner wishes to enroll multiple sites.

A. Completing the Application For Enrollment Form

1. Facility Name/License ID Number/Location Address

The name of the program (not an individual's name) must be listed on the Application For Enrollment to be a Provider of Subsidized Child Care (DCD-0451) and must be the same as the name printed on the license or Notice of Compliance. The provider's license or Notice of Compliance letter must be checked to verify the correct name and license ID number for the location address listed on the Application For Enrollment. The license ID number begins with the number of the county in which the child care program is licensed and has seven or eight digits, e.g., 0159001 (Alamance County).

If a printed copy of the license or Notice of Compliance is not readily available, the child care social worker can view the license on the DCD website at <http://ncchildcare.dhhs.state.nc.us/> or review the "Monthly Alphabetic Listing" (GH043) of regulated providers in NC-XPTR through computers connected to the state network. Refer to the **Subsidized Child Care Reimbursement Manual** for instructions on how to review the GH043.