

North Carolina Department of Health and Human Services  
**DIVISION OF CHILD DEVELOPMENT**



Beverly Eaves Perdue, Governor

Lanier M. Cansler, Secretary

Janice Fain, Acting Director

**DIVISION OF CHILD DEVELOPMENT ADMINISTRATIVE LETTER NO. 1-09**

**TO:** Directors of County Departments of Social Services  
Directors of Local Purchasing Agencies  
Child Care Coordinators

**FROM:** Janice Fain 

**ISSUED:** June 1, 2009

**SUBJECT:** Expanded Eligibility for Parents/Responsible Adults Seeking Employment

**EFFECTIVE DATE:** July 1, 2009

North Carolina's unemployment rate continues to climb; as of March 2009, unemployment has increased by 2.3 percent above the rate for Fiscal Year 2008. Many families in the state are experiencing a decrease in hours and income because of a temporary or permanent layoff or closure of business. In some instances, parents or responsible adults who have completed education or training activities leading to employment are having difficulty securing work. Unemployment and underemployment has also affected parents' access to affordable quality child care, placing additional stress on many families. They are struggling to get by and often forced to make choices between food, housing, health care and child care. In an effort to ensure that families can continue to access quality child care during economic recovery, the Division developed temporary policy to expand the eligibility and time frame for parents to seek employment. This temporary policy provided below does not supersede policies in the Subsidized Child Care Services Manual.

**Policy**

Eligibility for child care services to seek employment is expanded to a maximum of six months and is available to non-Work First parents or responsible adults. Parents who lost their job on or after October 1, 2008 are eligible to apply for child care services to seek employment. This includes parents who are not receiving child care assistance and now meet the criteria of this policy. In addition, parents who graduated as of December 2008 with a diploma or certificate are also eligible for child care services to seek employment while this policy is in effect. Counties have the option to use the expanded seeking employment policy to provide child care services when subsidy funding is available. However, when counties do not have subsidy funds available, they must add the children's names to the waiting list.

The expanded seeking employment policy is intended to support parents' effort to be self-sufficient and successful; therefore, parents who need child care to seek employment, whether unemployed or

**Physical Address:**  
319 Chapanoke Road  
Raleigh, NC 27603



**Mailing Address:**  
2201 Mail Service Center  
Raleigh, NC 27699

underemployed, are eligible for a full-time plan of care. The provision of full-time care provides children with a quality safe environment and uninterrupted early education which is a high priority for the Division

In addition, the provision of full-time care allows parents who are seeking employment the flexibility to be involved in additional activities leading to employment such as developing résumé, sharpening job seeking skills, attending networking workshops, budgeting resources, entrepreneurial training, work ethics; and literacy activities such as a General Equivalency Diploma (GED) or Adult Basic Education (ABE). The Division encourages child care staff and parents to work together to determine the need for full-time care.

### **Requirements and Procedures for Parents and Child Care Staff**

Attachment I of this letter provides information on eligibility and requirements for parents to receive child care assistance for seeking employment. The attachment also includes procedures for child care staff to follow when parents make application to seek employment, instructions for new need and fund source codes, and local policy options. Policy for Seeking Employment in Chapter 5 and Waiting List Policies in Chapter 10 of the Subsidized Child Care Services Manual are expanded until further notice from the Division.

### **Need Codes**

The Division developed new need codes for seeking employment to identify parents and responsible adults who are receiving child care services under the expanded seeking employment policy and to meet state and federal reporting requirements. *Appendix F-Subsidized Child Care Codes* in the Subsidized Child Care Services Manual were revised to reflect the new codes. The revised document effective July 1, 2009 is enclosed. Counties will be notified when the codes are no longer active.

### **Funding**

If the certified budget for State Fiscal Year 2009-10 makes provisions for funding from *The American Recovery and Reinvestment Act of 2009 Fund (ARRA)* for the Subsidized Child Care Program, then the ARRA funds will be included in counties' allocation. The language in the Budget Bill will provide the description as to how the ARRA funding must be expended. This language may provide support for child care services to expand seeking employment policy as well as for all other current need criteria. When ARRA funds are made available, each county's funding authorization will reflect the amount of non-recurring ARRA funds available for State Fiscal Year 2009-10. Counties can use their non-Smart Start, Smart Start subsidy allocation and local funds in addition to the ARRA funds for eligible families seeking employment. We encourage counties to contact their local Smart Start partnership to determine the availability of Smart Start funds to support the expanded seeking employment activity. If Smart Start funding is provided, the Memorandum of Understanding between the local purchasing agency and local Smart Start partnership should describe the activity and criteria. Counties can also use their local funds to support child care services to seek employment.

Use fund source code 65 to identify the ARRA funding in the Subsidized Child Care Reimbursement System. The Division will notify counties when the ARRA fund source code is no longer active.

Administrative Letter No.1-09

June 1, 2009

Page 3 of 3

**Waiting Lists**

The Division's current waiting list policies are expanded to include seeking employment. Children of parents who have lost their jobs or completed a degree and seeking employment are to be served in the order in which they were initially placed on the waiting list. New families are added to the waiting list on a first come, first serve basis in the priority that the local purchasing agencies (LPA's) establish. Counties have the option to maintain a separate waiting list in addition to their regular subsidy waiting list. Furthermore, local policies governing parents who repeatedly change jobs without good cause still apply.

**Effective Date**

The temporary policy for expanded eligibility for seeking employment and waiting list policies are effective July 1, 2009. The Division will notify local purchasing agencies when this policy is no longer in effect.

JF/SY

Enclosures

cc: Subsidy Services Consultants  
Program Compliance Consultants

## **Requirements for Expanded Eligibility for Parents/Responsible Adults Seeking Employment**

### **A. Criteria for Eligible Parents**

Parents are eligible for child care services to seek employment if they meet one of the eligibility criteria provided below.

1. Unemployed or underemployed on or after October 1, 2008, or
2. Completed a degree or certificate (high school, GED, post-secondary degree or skills training) as of December 2008 and are seeking employment.

**Note:** Underemployed parent is defined as a parent who is employed part-time but needs full-time employment to meet the needs of the family.

### **B. Requirements for Seeking Employment**

The requirements for parents requesting child care to seek employment for up to six months are provided below.

1. Register with the Employment Security Commission of NC and remain compliant with ESC requirements (contact information at [www.ncesc.com/](http://www.ncesc.com/)). Parents who are not eligible for Unemployment Insurance Benefits (UIB) must also register with ESC. Note: Termination of services may occur if parent is not actively pursuing (as defined by ESC requirements) or involved in other job search activities.
2. Provide verification of registration with ESC to your child care worker.
3. Conduct job search in work areas that you are qualified.
4. Conduct job search activities such as résumé development and interview tips that are available through resources such as, but not limited to, the local community college, NC Career Resource Network, Job Link Career Center and Employment Security Commission of NC.
5. Provide verification of previous employment such as a last check stub or employer's statement if applicable.
6. Contact your child care worker to report on job search activities by either phone or appointment. The job search report must include the business name, contact person, address and telephone number, date of contact and results of each contact. Your child care worker will provide the mode, format and the time period for reporting.
7. Report any changes within five days of occurrence directly to your child care worker.

### **C. Procedures for Child Care Staff**

Parents receive a maximum of six months of services to seek employment with each job loss experience. Some parents may be receiving child care services to support seeking employment under the current sixty-day seeking employment policy, prior to July 1, 2009. If so, the time period that parents have used to seek employment will be applied to the six months expanded seeking employment policy. The total amount to seek employment can not exceed six months. In addition, the agency's local policy for changing jobs frequently remains in effect for the duration of the seeking employment policy. The expanded seeking employment initial six-month period begins with the effective date of this policy for all applicants and recipients. The process for child care staff to determine parents' eligibility for the seeking employment policy is provided.

1. Develop an addendum to your agency's local policies with the following recipient reporting requirements for seeking employment:
  - Indicate how often to submit documentation of job search activities
  - Indicate whether the documentation provided must be in writing or orally.
  - Indicate the name of the form or type of format that is required for all parents to submit to meet the reporting requirements.
2. Send a copy of the addendum of your waiting list policies and reporting criteria for parents to your Subsidy Services Consultant for review. After the review, submit your policy to the Division for approval. The addendum is due to the Division of Child Development by July 31, 2009.
3. Determine if parents meet one of the eligibility criteria for seeking employment as indicated on page one. Seeking employment includes full-time job search activities such as but is not limited to, résumé development, interview tips and job clubs. The local community college, NC Career Resource Network, Job Link Career Center and Employment Security Commission of NC are just a few resources for job search activities.
4. Verify that parents are registered with the Employment Security Commission of North Carolina.
5. Verify the parent's prior employment using documentation such as the employer's statement or last check stub. This documentation must be included in the case file.
6. Provide the requirements to receive child care assistance for the extended job search in writing to parents.
7. Provide critical information and resources to parents such as accessing curriculum programs through the NC Carolina Community College System; University System or accredited on-line programs; NC's Career Resource Center; Job Link Career Center, local library and services that are available at the local purchasing agency. This information is particularly important when parents' job search activities are not systematic or a sustained effort.
8. Document in the Comment Section of the *Child Care Voucher* or *Child Care Action Notice*, whichever is applicable, the time period parents will receive child care services to support seeking employment.
  - Parents currently receiving child care services to seek employment for thirty or sixty days can continue to receive services for up to six months. If the six-month period is interrupted by an annual review, the time remaining for the parent to seek employment must be documented and highlighted in the *Comment Section* of the *Child Care Action Notice*.
  - New applicants who are eligible due to the expanded eligibility policy must have eligibility established for twelve months. Enter in the *Comment Section* on the *Child Care Voucher* the time period parents will receive child care services to support seeking employment. The parents and child care workers must initial and date the *Comment Section* which indicates that the time frame has been reviewed with parents.
9. Review the parent's situation at the end of the six-month period to determine if child care services can be provided for another need. The reason for continuing or terminating job search during the six-month period must be documented in the parent's case file. For example, termination of services can be based on the parent's lack of documentation to continue services.
10. Issue a *Child Care Action Notice* to parents and providers for redetermination and other eligibility changes as defined in Chapter 5 of the Subsidized Child Care Services Manual.

11. Add names of the children to the waiting list who have parents that meet the temporary seeking employment policy when funding is not available.
12. Inform parents, providers, the early education community and partnering agencies of the current and expanded policy for seeking employment.