

# H-GAC Workforce Contracts

## 2010 Financial Reporting Policy and Procedures

### Attachment 3: Child Care Cost Category Descriptions

#### **Child Care**

The following descriptions identify types of costs that are reportable categories for child care. The program acronyms used below are defined at the end of this part.

#### **Administration Costs in CCF and CCM**

Administrative costs incurred by entities responsible for administering the program including:

- accounting, financial management, budgeting, cash management, property management, procurement and purchasing, payroll, and personnel management (e.g., human resources) functions;
- compliance monitoring of a subrecipient or program evaluation (excludes costs of monitoring or evaluating child care providers, and monitoring the quality of services provided); audit functions (including internal audit); and coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports;
- general legal services functions;
- information systems related to administrative functions, including purchase, system development, and operations;
- the portion of salaries, wages, fringe benefits, staff training, supplies, postage, travel, equipment, facilities, utilities, and other costs required for administrative functions of the program;
- continuous improvement activities of administrative functions;
- planning, developing, and designing the CCDF program, including the development of program plans, budgets, and schedules;
- coordinating the provision of CCDF services with federal, state, and local child care programs, early childhood development programs, and before- and after-school care programs;
- developing agreements with other administering organizations in order to carry out program activities;
- conducting public relations activities directed at state and local officials and the general public;
- providing local officials and the public with information about the program, including the conduct of public hearings;
- preparing reports and documents associated with administrative functions;
- maintaining substantiated complaint files in accordance with 45 C.F.R. §98.32; and
- indirect costs in which the pooled costs are costs of administrative functions.

All costs of contracts for providing direct services, including costs of establishing and operating a

certificate program, are nonadministrative costs. All costs of contracts that are solely for providing administrative services are administrative costs. If a contract provides both administrative and program services, an appropriate share of the contract costs must be attributed to administrative and nonadministrative costs.

## **Administration Costs in CCP**

Allocable costs other than those for direct care that are reasonably necessary to provide child care services to Department of Family and Protective Services-referred children.

## **Information Systems**

Information systems costs of nonadministrative information technology systems (including costs directly associated with development, maintenance, support, and operations).

## **Operational Costs**

Eligibility determination, redeterminations, child care placement, rate setting, resource and referral services, training, recruitment, reviews and supervision of child care placements, and appeal hearings.

## **Direct Care**

Direct care refers to the costs of actual services provided to customers (e.g., the cost of child care slots purchased from providers).

## **Quality Improvement – Non-Direct Care**

Quality improvement activities as described in Commission rule §809.16, e.g., collaborative reading initiatives\*; school readiness, early learning and literacy activities; or local-level support to promote child care consumer education provided by 2-1-1 Texas. Such activities may be designed to meet the needs of children in any age group eligible for Commission-funded child care, as well as children with disabilities.

Examples of activities that support collaborative reading initiatives, school readiness, early learning, and literacy include professional development and training for child care providers or purchase of curriculum and curriculum-related support resources for child care providers.

The activities include:

- professional development relating to early learning workshops;
- early literacy and language development training aligned with the state’s prekindergarten guidelines;
- mentoring of early literacy and language development based on scientifically based

research practices and strategies for improving child performance in language and literacy;

- evaluating child performance in language and literacy in the classroom;
- basic class structure that encourages development of language and literacy;
- Center for Improving the Readiness of Children for Learning and Education (CIRCLE)

train-the-trainer training;

- literacy kits for child care providers;
- school readiness, early learning, and literacy awareness campaigns;
- scholarships for college courses relating to early learning, literacy, and school

readiness;

- training using research-based curriculum approved by the State Board of Education or the Texas Education Agency, or research-based curricula from the State Center's adopted list;
- early literacy packets for mothers of newborns;
- early literacy resources for child care lending libraries that are directed at parents and teachers to help them extend a child's literacy experience; and
- personal digital assistant tools.

\*A collaborative reading initiative is one in which a Board and at least one other entity work together to promote early language, literacy, and prereading development to promote and provide language and literacy activities based on scientifically based research that supports the age-appropriate development of language skills, vocabulary, phonological awareness, letter knowledge, and letter sounds.

### **Infant/Toddler Earmark (Non-Direct)**

Quality activities as described in Commission rule §809.16 that are in addition to those reported under *Quality Improvement (Non-Direct)*, but that are specifically designed to improve the quality of child care for children 0–36 months.

### **School Age R & R Earmark (Non-Direct)**

Quality activities as described in Commission rule §809.16 that are in addition to those reported under *Quality Improvement (Non-Direct)*, but that are specifically designed for child care resource and referral and school-aged child care activities.

### **Quality Expansion Earmark (Non-Direct)**

Quality activities as described in Commission rule §809.16 that are in addition to those reported under *Quality Improvement (Non-Direct)*. Such activities may be designed to meet the needs of children in any age group eligible for Commission-funded child care, as well as children with disabilities.

## **List of Acronyms Used Above**

**CCF=Child care funds;**

**CCM=Child care match funds;**

**CCP=Child care funded through the Texas Department of Family and Protective Services**