

DHS – Division of Family Development Summer Family Worker Reimbursement Instructions for Managing Agencies

- The Managing Agency must submit their contract renewal package to DFD before **June 1, 2014**. Timely received contracts will be reviewed and approved in time to disburse the family worker funds that will be included in the first quarter payment around July 1, 2014.
- Managing Agencies shall distribute the Family Worker Reimbursement Application (FWRA) and Family Worker Summer Program Agreement (Agreement) to all child care centers employing Family Workers. The child care center Director or Fiscal Officer must be instructed in the reimbursement process, documentation requirements, due dates, and receive direction in completing the application and agreement. See provider agency notice letter attached.
- All centers must complete Section 1 of the Agreement. Those agencies requesting the advance payment (as noted below) must also complete section 11 of the Agreement. Each section of the agreement must be signed by an authorized representative of the agency. All Agreement must be submitted no later than July 7, 2014.
- Child Care Centers have two payment options for 2014 family worker salaries and fringe/payroll taxes:
 1. Receive an advance payment for July upon submission of the FWRA and the Agreement for July. In August, upon receipt of the FWRA substantiating the July actual salaries, an advance payment for August will be issued.
 2. Receive reimbursement for July and August actual salaries in September upon submission of the FWRA.
- The FWRA must include names of all family worker staff, details of FW hours, estimated salary, employer payroll taxes, and fringe/payroll costs. The FWRA that is submitted when requesting an advance must note that the salary information is budget. The FWRA submitted to substantiate the actual salaries must note the salary data is actual.

New for FY 15 – all providers must submit copy of local School district Abbott budget.

- All Agreements are due to the Managing Agency before July 7, 2014.
- When requesting an advance, the FWRA's should be submitted to the Managing Agency before July 7, 2014. The managing agency should review the FWRA from the child care center for completeness and accuracy including: verification of the names of the family worker staff and current employment status (full time/ part time), estimated salary, employer payroll taxes, fringe benefits. **This data must be compared and determined to be consistent with the FY 15 school year local district Abbott budget.**
- The Managing Agency will then issue a check for the estimated July salaries and fringe/payroll taxes. **Payment should be made as soon as possible after receipt of the signed application but no later than July 11, 2014.**
- The child care center must submit the actual payroll data and supporting invoices for employer payroll taxes and fringe benefit costs for all FW staff for the month of July using the FWRA no later than August 8, 2013. If the August advance is being requested, then the FWRA must also include the estimated August salary. The Managing Agency will verify the actual July data. A new Agreement for August must also be submitted.

Please note - no expense prior to July 1 should be requested as these costs are covered by DOE funding.

- The advance for August will be issued only after receipt of the FWRA that includes the actual July salary and estimated August salary and the Agreement for August. Managing agencies should make adjustments to the August advance for any overpayments issued in July. The August advance should be issued no later than August 15 2014.
- The child care agency must submit the actual payroll data for August using the FWRA before September 12, 2014.
- The Managing Agencies will reconcile total actual summer family workers salaries with advance payments issued. The child care center should be paid for any difference not yet advanced or notified of any overpayment. Any funds due back must be returned before September 30, 2014. **Managing agencies should issue a demand letter for overpayments and request return of funds no later than September 30, 2014. Any funds not**

returned back by September 30, 2014 should be noted in Section III of the Master List. See letter template attached. The letter will require you add details specific to the provider.

- For those centers opting to not take the advance or in those cases where contracts were not processed in time, then child care centers must submit actual salaries using the FWRA before September 12, 2014. They should have submitted the Agreement before July 7, 2014 (the advance payment section will not apply).
- The Managing Agency must complete the Master List of Family Workers for **ALL** child care centers under their cognizance and will maintain a copy of the Master List of Family Workers and all FWRA's for each child care center. Records must be maintained for at least 4 years after final payment has been rendered. **ALL Family workers must be accounted for. Managing agencies are required to ensure that all provider agencies have complied with the reporting requirements and have submitted the payroll records, supporting documentation for payroll taxes and fringe benefits, and the DOE budget for each family worker. Failure of any provider to submit the required documentation will render them ineligible for reimbursement.**
- **Managing agencies must verify and reconcile all submitted documentation and ensure that payments issued reflect only the salaries, employer payroll taxes and employer share of fringe benefits for each family worker. Any questions should be directed back to the provider for clarification and confirmation. All payments authorized must not exceed actual provider costs and must be consistent with DOE budget details. Any questions must be verified and clarified with the provider. Please seek DFD guidance with any concerns or issues.**
- **Any center that has not submitted the required information or returned reimbursement requests should be noted at the end of Section 1 in the Master List (provider name only).**
- **A copy** of the Master List of Family Workers must be submitted with the 1st Quarter Report of Expenditures. These reports are due to DFD Contract Fiscal no later than October 24, 2014.

- **Managing Agencies are responsible for reviewing and verifying the accuracy of data received from the providers and submitted to DFD. Any discrepancies or costs not supported by adequate documentation will be disallowed.**

- **The Master List should be completed in excel and electronically submitted to the Contract Fiscal Unit of DFD to the attention of Shu-Ching Lung. The master list should identify any center that has failed to remit any overpayment.**
 - **Please note the changes to the Master List form for 2014.**
 - **Section I should include reconciliation of the payments issued to the family workers and the amount of salaries reported in the ROE. In theory, the details of master List salaries should equal the ROE. All differences and discrepancies (under or overpayments) should have been resolved and either recouped from or paid to the provider. Any overpayments not recouped because the provider has failed to return the funds will be a difference and shown in Section III.**
 - **Section II requires a count of the number of family workers.**
 - **Section III is the details of any provider who has not returned any debt.**

- Managing agencies must ensure that child care centers submit all required paperwork on time. Failure of the child care centers to adhere to all requirements of the program or to submit reports in a timely manner may result in disqualification from participating in the advance payments process in future contracts. This may be a factor for disqualifying from the advance payment process in future contracts.

- Any payment issues that may result in funds due from the child care centers must be communicated to DFD as noted above. The details should be included in the Master List. All funds must be recouped from the child care center no later than September 30, 2014. Funds may be recouped through the electronic time and attendance program (e-Child Care (ECC)) for child care subsidy payments due to the child care centers. Any outstanding debt due from a child care agency on September 30, 2014 must be communicated to DFD, as applicable, for referral to the NJ Department of Treasury for collection efforts.

- **Managing Agencies must submit requests for contract funding changes to DFD in writing before September 30, 2014. No contract modifications will be considered after this date.**
- The “FW Summer” should be a separate column heading on the Annex B. Under Category “OTHER”, list one line item for Salaries and Fringe, and a second line item for Processing Costs.
- The 1st Quarter Report of Expenditures should reconcile with the salaries reported in the Master List of Family Workers and should reflect all payments issued to the child care centers. Any discrepancies will result in delayed quarterly payments.
- Upon receipt of the 1st Quarter Report of Expenditure, the Contract Fiscal unit will initiate the contract modification for any unspent family worker salary.

Questions regarding the Family Worker Salary reimbursement and Reporting process can be addressed to Yvonne Tierney, Contract Manager at 609-588-2074.

Sample **Provider Agency Notice Letter:**

Dear Provider Agency:

Provider agencies are eligible to receive advance payments for family worker salaries, employer payroll taxes, and fringe benefits costs. The program will require compliance with certain reporting, documentation, deadlines and due dates in order for payments to be issued in a timely manner. Each provider agency must abide by the family worker obligations as outlined in the Summer Family Worker Agreement.

All agencies are required to sign and submit the Summer Family Worker Agreement which should be returned to the managing agency no later than June 27, 2014.

Please return the Summer Family Worker Agreement and the Family Worker Reimbursement Application (FWRA) to **(enter name of agency) your managing agency** by July 7, 2014. Effective for FY 15, all provider agencies must submit a copy of the local BOE budget for the DOE funded program along with the other required documentation. The specific documentation requirements are outlined in the FWRA instructions. Once approved, the managing agency will advance the July 2014 payment. Detailed instructions and forms for the process are available from your managing agency. *All required actions must be completed in the time period specified. Delays in meeting the deadline and/or failure to submit the required forms and documentation will delay the issuance of the advance payment.*

All agencies are required to reconcile the actual salaries with the advance payment. All funds must be returned to the managing agency no later than September 30, 2014. Any agency who fails to return funds due back and who currently provides subsidized child care services will be subject to recoupment of this debt through e-childcare (ECC) payments. Any agency who fails to return funds due back and who does not provide subsidized child care services will be referred to the Department of Treasury for collection.

Any questions regarding the family worker program, payment process, forms, or documentation requirements should be directed to the managing agency.

Sample Demand Letter for Recoupment:

Dear Provider:

Your participation in the 2014 Summer Family Worker Program, your agency received *(insert specific details i.e. advance payment of \$ and/or failed to submit required supporting payroll records, did not comply with program requirement, failed to submit the required DOE budget, etc.)*. In accordance with the terms of the Family Worker Agreement and/or the Family Worker Reimbursement Application (FWRA) this is a violation of the agreement and the terms outlined for the program.

We have determined that you have been *overpaid \$ for (specify reason, i.e. advance payment exceeds actual expenditures etc.)* As noted in the Agreement, balances are due to be paid back before September 30, 2014.

If these funds are not returned by September 30, 2014 and you currently provide subsidized childcare services, then the State of New Jersey, Division of Family Development will recoup this debt through e-childcare (ECC) payments. If you do not provide subsidized child care services, this debt will be referred to the Department of Treasury for collection.