



ADMINISTRATION FOR
CHILDREN & FAMILIES

330 C Street, S.W., Washington DC 20201 | www.acf.hhs.gov

JAN 18 2017

Phyllis Gilmore, Secretary
Kansas Department for Children and Families
555 S. Kansas Avenue,
Topeka, KS 66603-3444

Dear Secretary Gilmore:

The Office of Child Care has completed its review of the proposed amendment(s) to Kansas's conditionally approved Child Care and Development Fund (CCDF) Plan for 2016-2018, submitted on August 26, 2016.

This letter is to inform you that the following CCDF Plan amendment(s) were approved.

- **Section 3.1.5 - Graduated-Phase-Out** - Amended to indicate that the state's graduated phase out policy implemented July 1, 2016 allowing a three-month phase out period if at review (redetermination) a family's income exceeds 185% of the Federal Poverty Level.

Although we are approving your amendment regarding graduated phase-out because Kansas's policy is a reasonable interpretation of the CCDBG Act of 2014, the Kansas policy does not meet the requirements at 45 CFR §98.21 of the CCDF final rule that was published September 30, 2016. Under the final rule, a family whose income does not exceed the Kansas's second tier eligibility threshold at the point of redetermination will receive another 12-month eligibility period (unless the family's income exceeds the federal threshold of 85% of State Median Income during that time). As indicated in the preamble to the final rule at 81 FR, pages 67443-4, States must demonstrate compliance with all requirements of the final rule no later than October 1, 2018 (the effective date of the FY2019-2021 Plans). Therefore, Kansas will need to revise its graduated phase-out policy and come into compliance with the final rule by October 1, 2018.

- **Section 3.3.1- Twelve Month Eligibility**- Eligibility policy implemented requiring 12-month review periods to be set for all child care cases effective date of July 1, 2016.

Although we are approving your amendment regarding 12-month eligibility because Kansas's policy is a reasonable interpretation of the CCDBG Act of 2014, the Kansas policy does not meet the requirements at 45 CFR §98.21 of the CCDF final rule that was published September 30, 2016. Under the final rule, Lead Agencies may only require families to report changes in income when the income exceeds 85% of SMI during the 12-month period. In addition, CCDF regulations at 45 CFR 98.21(a)(3) prohibit Lead Agencies from increasing family co-payment amounts within the minimum 12-month eligibility period (except for families eligible during graduated phase-out). As indicated in the preamble to the final rule at 81 FR, pages 67443-4, States must demonstrate compliance with all requirements of the final rule no later than October 1, 2018 (the

effective date of the FY2019-2021 Plans). Therefore, Kansas will need to revise its policy for reporting changes and copayments and come into compliance with the final rule by October 1, 2018.

- **Section 3.3.2- State and Territory Option to Terminate Assistance Prior to 12 months** – Amended to update list of situations in which cases may be closed prior to the end or during the 12-month eligibility period effective July 1, 2016.

Although we are approving your amendment, because Kansas's policy is a reasonable interpretation of the CCDBG Act of 2014, the Kansas policy does not meet the requirements at 45 CFR §98.21 of the CCDF final rule that was published September 30, 2016. Kansas established policies that go beyond the final rule. Under the final rule, the Lead Agency has flexibility to discontinue assistance prior to the next redetermination in limited circumstances where the parent's loss of work or cessation of attendance at a job training or educational program does not constitute a temporary change in accordance with the conditions listed at 98.21(a)(1)(ii). As indicated in the preamble to the final rule at 81 FR, pages 67443-4, States must demonstrate compliance with all requirements of the final rule no later than October 1, 2018 (the effective date of the FY2019-2021 Plans). Therefore, Kansas will need to revise its policy for reporting changes and copayments and come into compliance with the final rule by October 1, 2018.

- **Section 4.6.3- Priority for Investments to Children and Families-** Amended to reflect that services have been implemented through a competitive procurement grant process to Kansas Early Head Start (KEHS) programs effective date of July 1, 2016.

The effective date of July 1, 2016 for these amendments(s) to Kansas's CCDF Plan is noted on the amendments log within the ACF-118 electronic submission site.

We look forward to our continued partnership in the administration of your Child Care and Development Fund program. If you have any questions or need further assistance, please feel free to contact Doris Hallford, Child Care Program Manager in our Kansas City Regional Office at (816)426-2264 and doris.hallford@acf.hhs.gov.

Sincerely,



For Rachel Schumacher
Director
Office of Child Care

cc: Phyllis Gilmore, Secretary
Doris Hallford, OCC Regional Program Manager, Region VII
Kathy Edler, Regional Liaison, Office of Child Care