



Early Learning Coalition of Southwest Florida, Inc.

<u>Subject:</u> Voluntary PreKindergarten Provider Reimbursement and Post Attendance Audits		
<u>Policy #:</u> ELCSWF-VPK0018A-08	<u>Category:</u> Enrollment and Eligibility	<u>Reference #</u> OEL-VPK-510
<u>Approval:</u> 9/27/08	<u>Effective Date:</u> 9/26/08	<u>Replaces (policy # and date):</u> ELCSWF-VPK0018-06 8/1/06 <u>9/25/07</u>

- I. **PURPOSE:** To establish a policy for reimbursement procedures and post attendance audit of the Voluntary Prekindergarten program.
- II. **REVIEW HISTORY:** This policy replaces any previous written or verbal directives issued in any of the four counties.
- III. **CONTACT:** Chief Executive Officer.
- IV. **PERSONS AFFECTED:** VPK Eligibility staff, Fiscal staff and VPK Providers.
- V. **POLICY:** This policy sets the process in which VPK providers are reimbursed for services and fiscally monitored to ensure reimbursements were accurate as evidenced by appropriate supporting documentation.
- VI. **RATIONALE:** Reimbursement of Voluntary pre-kindergarten services must be conducted in a fair, accurate and consistent manner.
- VII. **CROSS REFERENCES:** Chapter 1002.51-79 Florida Statutes; Rule 60BB-8.100 – 8.900, Florida Administrative Code, ELCSWF-VPK0018-06 VPK Provider Reimbursement and ELCSWF - VPK 0016A-06 Provider Program Compliance.
- VIII. **DEFINITIONS:**

“AWI” refers to the Agency for Workforce Innovation.

“Coalition” refers to “Early Learning Coalition of Southwest Florida, Inc. (ELC-SWF), a coalition created under s 411.01, F.S. and serving Collier, Hendry, Glades and Lee counties.

“Fiscal Year” refers to each year beginning July 1 and ending June 30 of the following year.

Parent” means a parent by blood, marriage or adoption and also means a legal guardian, licensed foster parent or individual identified with the legal ability to provide care for the eligible child.

“Provider” means the individual or facility responsible for the provision of Voluntary PreKindergarten services.

“Qualified Contractor” or **“Contractor”** means an entity performing the duties of the Coalition and is defined in Rule 60BB-8.100 (13), F.A.C. Community Coordinated Care for Children (4C) and Redland’s Christian Migrant Association (RCMA), are the two entities contracted by the Early Learning Coalition of Southwest Florida, to carry out the daily responsibilities for VPK families and providers. These agencies serve as Qualified Contractors.

“VPK” means Voluntary PreKindergarten Education Program pursuant to Chapter 1002, Part V, Florida Statutes

“VPK Reimbursement Rate” means the hourly rate approved by the Legislature for voluntary pre-kindergarten services for a child in the VPK program. Pre-payment and reimbursement rates for children are based on, but not limited to, the status and duration of the child’s care, the amount designed by the legislature and the Agency for Workforce Innovation.

IX. **PROCEDURES:**

General Requirements

Please note: This policy is designed to support the requirements addressed in Section 1002.55-76 of the Florida Statutes and Rule 60BB-8.100-8.900, Florida Administrative Code. In the event of any changes, the designated laws and/or future directives from the State Agency for Workforce Innovations, will always supersede any procedures contained herein.

1. Before delivering VPK instruction or receiving payment for the VPK program, a prospective VPK providers must comply with all requirements including, but not limited to, the completion of VPK applications forms AWI-VPK-10 including supporting documentation, AWI-VPK-11 and Statewide VPK Provider Agreement (AWI-VPK-20), and be approved by the Coalition pursuant to Policy ELCSWF-VPK0017-06 “VPK Provider Eligibility and Enrollment”.
2. If a VPK Provider has more than one VPK site, the provider must submit a separate AWI-VPK-10 for each site.
3. Once a VPK Provider is determined eligible by the Coalition for the VPK program, the provider is not required to resubmit a form AWI-VPK-10 for subsequent program years unless there are changes to the information. Changes must be submitted on an update AWI-VPK-10 within 14 calendar days of the changes. In addition, a new application is warranted if the VPK provider has had a break in program participation.

4. Annually, all VPK providers must complete and sign form AWI-VPK-11, including supporting documentation. If the VPK Provider has more than one VPK class, the provider must submit a separate form AWI-VPK-11 with supporting documentation for each class. If submitted information changes at any time, an updated AWI-VPK-11 must be submitted within 14 calendar days of the change.
5. The VK Provider must be in good standing as documented by their compliance with fiscal and programmatic requirements and approved annually by the Coalition.
6. The Statewide VPK Provider Agreement (AWI-VPK-20), must be signed and approved by the Coalition annually.
7. The approval of a specific VPK Provider is not transferable or assignable to any other entity. The Coalition will not honor payment to any child care provider who has not been approved by the Coalition or complied with the requirements of Sections 1002.55-79, Florida Statutes and Rule 60BB-8, F.A.C. ,
8. VPK providers will not be reimbursed for any child accepted into a VPK program without a valid certificate of eligibility from the Coalition or Qualified Contractor
9. Child care services over and beyond VPK hours are the responsibility of the parent.
10. Neither the VPK provider, nor the parent will be reimbursed for any costs other than those associated with the authorized VPK reimbursement rate.
11. The Coalition through their Qualified Contractor is responsible for conducting auditing activities to ensure the accuracy of the payments of the monthly pre-payment or reimbursement requests. This is accomplished through annual post attendance auditing of each VPK provider during the fiscal year.

RATES

12. Payments for voluntary prekindergarten services are established by the Agency for Workforce Innovation (AWI). Rates remain in effect until changed by Agency for Workforce Innovation.
13. The amount of reimbursement paid is the same for each child in a respective county. The actual amount of reimbursement may vary by county. The allocation per child for each county is determined annually by the Agency for Workforce Innovation through an analysis of factors such as estimated VPK students, administrative allocation and cost differential of county.
14. Payments to providers will not exceed the rates established by the Agency for Workforce Innovation (AWI).
15. VPK Providers have the choice of receiving a prepayment or reimbursement, The Coalition or Qualified Contractor will assist providers in understanding the benefits and drawbacks of each type of payment plan, thus affording the provider the opportunity to select the most appropriate method to fit their circumstance.

16. VPK providers must identify their preference in writing to the Coalition or Qualified Contractor. The selection can be changed at the written request of the provider.
17. Pre-payments or reimbursements may only be paid for children who have been issued a VPK certificate, and whose provider has submitted a complete classroom roster with appropriate documentation attached. The ending date of VPK service shall be when the child receives 540 hours of VPK instruction during the school year or 300 hours during the summer, unless otherwise authorized under the VPK rules and regulations.

PROVIDER RESPONSIBILITIES

18. VPK Providers are prohibited from charging any parent for VPK services or registration.
19. VPK Providers are permitted to charge parents for supplemental child care services, however, under no circumstances may the VPK provider make participation in child care services a condition of enrollment.
20. VPK providers are permitted to ask parents for voluntary contributions in terms of time, supplies or donations. However, VPK Providers may not require such contributions.
21. It is the VPK provider's responsibility to determine the program type and reflect the choice on Form VPK 11. Payment for VPK hours may not exceed 540 for the school year and 300 for summer months (May through August).
22. VPK providers are responsible for setting a schedule which is communicated on form VPK 11 and submitted to the Coalition or Qualified Contractor. Any revisions to the schedule or coalition approved calendar must be documented on the VPK 11 form and re-submitted to Coalition or Qualified Contractor prior to implementation. The VPK schedule of class times and duration must also be provided to each parent who enrolls their child.
23. VPK providers must provide advance notification to the Coalition or Qualified Contractor of any planned changes affecting the program such as change of ownership, location, closures etc. Other changes such as class transfers; absences for "good cause", VPK class schedule changes; changes in instructors and directors, etc., are to be reported promptly.
24. To receive reimbursement for VPK services, providers must submit accurate attendance records and sign each submission to reconcile the prepayment or receive reimbursement.
25. Each provider must require the parent of each VPK student to verify monthly, the student's attendance during the prior month, as follows:
 - a. If the provider or school uses a daily sign-in record, the parent must certify the student's attendance using the short form of the Student Attendance and Parental Choice Certificate(Form AWI-VPK 03S).

b. If the provider or school uses a method to document attendance other than a daily sign-in record, the parent must certify the student's attendance using the long form of the Student Attendance and Parental Choice Certificate (Form AWI-VPK 03L). Before a parent signs the long form, the provider or school must either enter the student's attendance on the form or attach documentation to the form that includes the student's attendance.

ATTENDANCE AND REIMBURSEMENT

26. Daily attendance of children shall be taken and recorded by the parent, classroom teacher or facility documenting when each child enters and departs the program.
27. Student attendance and parent choice certificates (short or long) must be maintained by the VPK provider for 2 years. Parent verification forms must be on site at all times and available for review.
28. All required attendance documents should be submitted to the Coalition or Qualified Contractor by the 1st of the month, but no later than noon the third (3rd) day of the month following attendance. Any attendance sheet rosters submitted after the 3rd day may be processed the next reimbursement month.
29. The Coalition or Qualified Contractor shall run all necessary reports at least monthly that indicates the # of hours a child has participated in the VPK program. These reports are run as often as necessary to adequately monitor the activities of children and providers to ensure no overpayments occur due to incorrect data entry or inadequate documentation.
30. The Coalition or Qualified Contractor are is responsible for conducting post attendance audits of the VPK providers to validate their prepayments or reimbursement as accurate..
31. School readiness reimbursement rates for children enrolled in VPK programs are determined by using a wrap around rate calculation. The wrap around rates are established using the child's hourly VPK rate and the number of school readiness authorized hours of care. The school readiness program is based on full time (FT) and part-time (PT) hours of care and not the actual hours served. The child's VPK hours must be subtracted from the number of hours established as the child's "daily need" to calculate the wrap around rate. The remaining hours are paid according to the established PT and FT rate schedule. For wrap around rate calculation purposes, six (6) hours are considered PT and 11 hours are considered FT.
32. Each month, the Coalition or Qualified Contractor mails classroom attendance rosters to the provider for recording attendance.
33. The provider must record the appropriate attendance on each roster and return the signed roster no later than the 3rd day of the month following attendance.
34. The Coalition or Qualified Contractor logs receipt of the attendance roster, reviews the roster for accuracy and signatures prior to entering attendance into EFS. Upon conclusion of the verification and EFS entry processes, payment and reconciliations are completed.

35. A monthly summary report is submitted to each VPK provider following the reimbursement and reconciliation processes. The monthly summary report includes the name of each child being paid, the amount being paid for each child and the number of hours being paid per child. Prepayments are reconciled against actual attendance submitted and processed prior to issuing any reimbursement. In the event a provider received a prepayment greater than the actual attendance reimbursement, the funds owed are deducted from the next prepayment prior to its release or returned by the provider via check or money order.

36. VPK providers must review the monthly summary report provided by the Coalition or its designee's fiscal staff each month. Any discrepancies should be reported to the Coalition or its' designee within 30 days of receipt of the deposit of funds or the date of the check.

37. Payment for attendance.

(a) Private providers or public schools must be paid for each instructional day that a child attends the provider's or school's VPK program. If a child attends part of a day's instruction, the private provider or public school must be paid for the instructional day.

(b) A private provider or public school may not be paid for an absence that is before a child's first day of attendance or after the child's last day of attendance.

(c) Payments for a child must be suspended if the child does not attend at least one (1) instructional day during a calendar month.. Payments for the child, including payments for absences accruing while payments are suspended, shall resume when the child subsequently attends the program. However, if the child does not resume attendance, than no payment will be made for absences after the child's last day of attendance.

38. Payment for absences.

A private provider or public school shall be paid for each instructional day that a child is absent from the provider's or school's VPK program not to exceed the following number of absences by the child in a calendar month:

(a) Three or fewer unexcused absences; and

(b) Seven or fewer excused absences. An absence is excused for purposes of this paragraph, if:

1. The child's parent submits documentation of the absence in writing to the private provider or public school and the provider or school submits the documentation to the coalition or contractor;
2. The documentation shows that the child is prevented from attending the VPK program on the instructional day because of one of the reasons listed in paragraph (33)(b); and
3. Notwithstanding the requirements for documenting excused absences in paragraph (33)(b), the reason for the absence is documented by the child's parent.

39. Payment for additional excused absences.

A private provider or public school shall be paid for each excused absence that exceeds the number paid in a calendar month under paragraph (32)(b), if:

- (a) The child's parent submits documentation of the excused absence in writing to the private provider or public school and the provider or school submits the documentation to the coalition or contractor; and
- (b) The documentation shows that the child is prevented from attending the VPK program on the instructional day because of one of the following reasons and the reason is documented as follows:
 - 1. Illness or injury of the child or the child's family member which requires hospitalization or bed rest, as documented by a physician;
 - 2. Physician or dentist appointment, as documented by the physician or dentist;
 - 3. Infectious disease or parasitic infestation that prevents the
 - 4. private provider or public school from allowing the child to attend, as documented by the provider or school;
 - 5. Funeral service, memorial service, or bereavement upon the death of the child's family member, as documented by a funeral director, death certificate, program from the funeral or memorial service, or obituary published in a newspaper of general circulation;
 - 6. Life-threatening illness or injury of the child's family member, as documented by a physician;
 - 7. Compliance with a court order (e.g, visitation, subpoena), as documented by the court order;
 - 8. Special education and related services as defined in 20 U.S.C. § 1401 (2004) for a child with a disability, as documented by the child's individualized education program (IEP);
 - 9. Observance of a religious holiday or service, or because the tenets of the child's or parent's religion forbid secular activity on the instructional day, as documented by a leader of the religious organization; or
 - 10. Extraordinary circumstances that are beyond the control of the child and the child's parent, as documented by the child's parent and verified by the coalition or contractor.

40. Payment for additional absences for a family vacation.

A private provider or public school shall be paid for each absence that exceeds the number paid in a calendar month under subsections (2) and (3), not to exceed 5 absences in the calendar month, if the child's parent submits documentation in writing to the private provider or public school that the absences are because of a family vacation and the provider or school submits the documentation to the coalition or contractor. A private provider or public school may only be paid for a family vacation once per child in a program year.

41. Payment for temporary closures.

- (a) A private provider or public school may not be paid for a scheduled instructional day on which the provider or school temporarily closes because of circumstances that are within the provider's or school's control. If a private provider or public school temporarily closes because of circumstances that are within the provider's or school's control, the provider or school must revise the class schedule for a VPK class which the closure affects.
- (b) A private provider or public school shall be paid for a temporary closure if the provider or school submits documentation to the coalition or contractor in writing which demonstrates that the closure is temporary and caused by circumstances that are beyond the provider's or school's control.
- (c) A private provider or public school shall be paid for a temporary closure without submitting documentation of the circumstances causing the temporary closure if the provider's or school's VPK site is located in a county in which government offices that are normally open to the public are closed by the county, state, or federal governments, or public schools are closed by the school district, because a state of emergency is declared to exist in the county by the county government, the Governor, or the President of the United States.
- (d) A private provider or public school must submit documentation of the circumstances causing the temporary closure if government offices remain open or a state of emergency is not declared to exist. A private provider or public school may not be paid for a temporary closure if the provider or school does not reopen or resume instruction after the closure. The coalition or contractor shall assist the parent of each child that the temporary closure affects with reenrollment of the child with another private provider or public school.
- (e) If a child does not resume attendance in the VPK program after a temporary closure, notwithstanding paragraph (35)(b), the private provider or public school shall be paid for the closure but may not be paid for an instructional day after the closure.
- (f) A private provider or public school may revise the class schedule of a VPK class which a temporary closure affects instead of payment for the closure.
- (g) A private provider or public school shall be paid for each temporary closure caused by circumstances that are beyond the provider's or school's control, not to exceed 10 instructional days per closure, as if each child attends the VPK program on each instructional day that the closure affects.
- (h) If circumstances cause more than one temporary closure that affects the class schedule of a VPK class, the private provider or public school may not be paid for more than a combined total of 10 instructional days for all of the temporary closures that affect the class schedule.
- (i) If the combined number of instructional days affecting the class schedule of a VPK class from one or more temporary closures extends beyond 10 instructional days, the private

provider or public school must revise the class schedule for each instructional day that the closure affects after the 10th instructional day, to the extent that the revised schedule:

- Must not extend beyond the last day by which the VPK class must complete instruction;
- Is not required to change the number of instructional hours per instructional day or the number of instructional days per week from the current class schedule.

VOLUNTARY PREKINDERGARTEN POST ATTENDANCE AUDITS

42. Every VPK provider must be audited at least one time during the fiscal year. Any on-site audit visits may be announced or unannounced. If perfect attendance is observed for three (3) consecutive months an on- site monitoring visit is warranted.
43. Unless otherwise warranted, the post audit monitoring will be based on the reimbursement request of the child care provider for one of the previous three (3) months at the selection of the Contractor. The audit will evaluate the reimbursement with the provider's attendance documentation. Attendance verification may be maintained by the provider in one location, or in individual classrooms, but it should be secured for purposes of retention.
44. The selection process may be random and audits should occur throughout the year. A VPK provider may be selected for audit if there is a reason for concern, as well as re-selecting a previously audited provider. The Coalition or Qualified Contractor may audit the attendance records at any time either on-site or through requesting documentation to be submitted and may extend an audit back to any period in which the provider received VPK funding
45. Providers' records that fail to substantiate the reimbursement reconciliation may result in a disallowed subsidy payment. These may be adjusted from future reimbursement payments.
46. Providers selected for the monthly post-attendance audit will be required to provide attendance documentation as requested for auditing purposes. Documentation must be submitted, upon request, within the specified time frame. An Initial Notice of Non-Compliance will be issued to providers who fail to respond timely. Further non-compliance action will follow consistent with policy Policy# ELCSEF-VPK-0016A-06 VPK Prekindergarten Provider Compliance Monitoring.
47. Providers will be selected for audit on a random basis each month. The Coalition or Qualified Contractor may at any time select a provider for audit if there is a reason for concern, as well as re-selecting a previously audited provider. The Coalition or its designee may audit any provider's attendance records at any time either on-site or by requesting documentation to be submitted.
48. In the event of an audit for reasons indicated in #33, the post attendance audit shall be based on the attendance verification statements presented by the VPK provider for the previous three (3) months. The audit will evaluate the Student Attendance and Parental Choice certificate, and actual attendance sheets. Parent's signatures on the "sign in-sign out" logs should be considered.

49. Attendance verification may be maintained by the provider in one location, or in individual classrooms.
50. Any attendance, for which payment has been made, but is not validated during a post-attendance audit, will result in a disallowed payment. The provider must reimburse the Coalition or Qualified Contractor for any funds received which are determined to be disallowed.
51. When auditing a VPK provider, the following process will be used:
- a. A post attendance audit will be conducted on any VPK provider with forty (40) or less enrollments in a calendar month. The attendance for each child enrolled will be audited. A random sample will be used to select providers with more than forty (40) enrollments. The audit of the selected providers will encompass a minimum of 40 enrollments and an additional 10% of the remaining enrollments.
 - b. (For example – 67 VPK children are served in the center. The first 40 are reviewed. The sample size is determined by the total # of children (67) minus the children audited (40) equals remaining children (27). Multiplying 27 children by 10% ($27 \times .10$) equals = 2.7 additional children. Therefore, the auditor must review the records of three (3) additional children(2.7 rounded up)
 - c. The provider's error rate is determined by dividing the number of records with errors, by the total number of records audited.
 - d. For example, if of the 43 records reviewed, three (3) had errors; the provider's error rate is 11% (divide the # of records with errors (3) by the total # of records (43) equals .069 (rounded up) or 7%.)
 - e. An overall error rate of less than 10% requires no further audit work. Corrections are noted and payment adjustments are made as necessary.
 - f. An overall error rate of 10% or greater requires additional audit work. Audits will be conducted on enrollments until the error rate is less than 10% as indicated in #2. Corrections are noted and payment adjustments are made as necessary.
 - g. All errors are reconciled financially by receipt of payment from the provider (check or money order), or a reduction of or addition to future payments. Providers are required to return any overpayments.
52. Technical assistance related to acceptable verification and record keeping will be provided and documented for providers with an error rate of 10% or greater. A minimum of one additional attendance audit will be completed not less than 90 days after completion of the initial audit.
53. The Coalition or Qualified Contractor will complete and provide the audit report, including all findings and outcomes to the provider promptly. Copies of all documentation related to the post-attendance audit will be maintained in the audit file.

NON-COMPLIANCE

54. Providers found to be out of compliance with responsibilities will be provided an "Initial Notice of Non-Compliance" and provided 10 business days from the date of issuance in which to comply. Such "Notice" must be provided in two (2) of the following ways: hand-delivered; sent by Certified mail, return receipt requested; faxed; or mailed through regular U.S. mail.
55. If the Provider does not take the necessary actions to comply with the 10 day time frame, the Coalition or Qualified Contractor will send a "Final Ten (10) Day Notice of Warning of Non-Compliance" and follow procedures consistent with Policy # ELCSWF-VPK0016A-07, "VPK PreKindergarten Provider Compliance Monitoring".