



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: October 14, 2020

TO: Michigan Licensed Child Care Providers

FROM: Dr. Scott M. Koenigsknecht, Deputy Superintendent
P-20 System and Student Transitions 

SUBJECT: Additional Child Care Subsidy Absence Hours Available due to COVID-related Absences

Summary

Effective pay period 021 (September 27, 2020 – October 10, 2020), child care providers may request a special provision to access up to 60 additional absence hours, per child, due to program closure and/or individual absences related to COVID-19.

Rationale

Unexpected closures and absences are happening because of the pandemic. Current policy allows for a maximum of 360 absence hours per year for each child. To preserve this annual allotment for non-COVID-related absences, lawmakers and the governor approved a policy change that allows each child to use up to 60 additional absence hours between pay period 021 and pay period 026 for eligible COVID-related absences. These hours are paid for with funding from the coronavirus relief fund.

How to Bill if Child is Absent During Pay Periods 018 through 026

Effective with pay period 021 (September 27, 2020 – October 10, 2020) through pay period 026 (December 6, 2020 – December 19, 2020), providers should bill for absence hours using the I-Billing system following the guidelines in the CDC Child Care Handbook (https://www.michigan.gov/documents/mde/CDC_Handbook_7-2013_428431_7.pdf).

If a child is **absent due to an eligible COVID reason**, and expected to return to care, use absence hours for the time when the child would have been in your care.

- Eligible COVID-related reasons include:

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- Absences due to program- or classroom-wide closures because of a confirmed case of COVID-19
- Absences due to an individual child's suspected or confirmed case of COVID-19. This includes if a child is quarantining due to a possible exposure.
- The absence hours should reflect the days and times a child would normally be in care.
 - For example, if the child is enrolled to attend Monday, Wednesday, and Friday, but not in your care Tuesdays and Thursdays, you may bill absence hours for Monday, Wednesday, or Friday **only** when the child is not in your care due to a COVID absence.
- As always, licensed providers should have a written policy to charge families for absences to bill the CDC program for absences.

Since the COVID absence hours for children during this period will be paid by the coronavirus relief fund (CFDA #21.019), expenses must be incurred prior to December 30, 2020. This policy will be reviewed in late November and providers and families will be notified if the policy will be able to continue with a different funding source. **It is important that you maintain your time and attendance records in accordance with child development and care guidelines.**

What funds are being used

As part of the nation's COVID-19 response, Michigan was awarded funding from the U.S. Department of Treasury. The state is required to notify anyone who receives child care grants with information about (1) the source of the funds and (2) the possibility that recipients may be monitored to ensure funds were used properly.

Funds were awarded to the state of Michigan as federal financial assistance from the U.S. Department of Treasury. The funds were awarded under the Coronavirus Aid, Relief, and Economic Security Act ([CARES Act](#)) and identified as the coronavirus relief fund. Michigan was awarded \$3.08 billion dollars under the coronavirus relief fund, which was signed on March 27, 2020.

Coronavirus Relief Fund (CFDA #: 21.019, FAIN #: SLT0040)

Coronavirus relief funds are considered federal financial assistance and have been assigned a Catalog of Federal Domestic Assistance (CFDA), or assistance listing, number of 21.019. Fund payments are considered to be federal financial assistance subject to the single audit act (31 U.S.C. Sections 7501 – 7507) and the related provisions of uniform guidance 2 of the Code of Federal Regulations (CFR), Section 200.303 regarding internal controls, Section 200.330 – 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. Under the single audit act, subrecipients will need to report expenditures under this program using CFDA number 21.019. A non-federal entity that expends \$750,000 or more during the non-federal entity's fiscal year in federal

awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

Any funds received under the authorizing legislation for this program expended by the eligible applicant in a manner that does not adhere to the CARES Act, Public Law 116-136, or Uniform Guidance 2 CFR 200, as applicable, shall be returned to the state.

Uniform guidance for CRF use of funds:

The CARES Act requires that the payments from the coronavirus relief fund only be used to cover expenditures that:

1. are necessary expenditures incurred due to the public health emergency with respect to coronavirus disease (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the state or government; and
3. were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

Frequently asked questions (FAQ):

1. *How does this benefit providers and families?*
Unexpected closures and absences are happening as a result of the pandemic. This is creating a barrier for both families and providers. Current policy allows for a maximum of 360 absence hours per year for each child. In order to preserve the annual allotment of absence hours, lawmakers and the governor approved a policy change in Public Act 166 of 2020 that allows for additional absence hours in period 021 through pay period 026 to be paid with funding from the coronavirus relief fund.
2. *When can providers bill for COVID absence hours?*
Effective pay period 021 through pay period 026, providers who are caring for child care subsidy children may bill for care provided during an absence or closure and then request that absence hours be counted towards the COVID pandemic absence instead of coming from the annual allotment of absence hours.

COVID absence hours must be requested by no later than December 19, 2020.

3. *How do I request these hours?*
Providers should bill normally through the I-Billing system then call the CDC program office at 866-990-3227 to request COVID absence hours. The CDC program office will collect information from the provider and reset the absence hour counter in I-Billing. Information that will be needed includes:
 - Date(s) of closure or absence
 - Reason for closure or absence
 - Child information (child name and ID)
 - Provider information (name, provider ID, license number)
 - Star rating

- Case information (parent name and case number)
4. *What information/records must I maintain for the COVID absence hours?*
All CDC providers must keep complete and accurate records of daily time and attendance for each CDC child in care. These records must be kept for five (5) years for audit purposes and providers must submit records to MDE when requested. Providers billing for a COVID-related absence should indicate the following on their billing records "**Billing for COVID absence or closure for (reason, period of time)**". Providers should also retain sufficient records to document that eligibility requirements for COVID absence billing were met.

Providers should refer to the Child Development and Care Handbook (https://www.michigan.gov/documents/mde/CDC_Handbook_7-2013_428431_7.pdf) for guidance on billing for regular hours and absence hours. If needed, please call 866-990-3227 for assistance.