



...Leading efforts to strengthen accessible and affordable quality early care and education.

To: All CCSA Scholarship Providers

From: CCSA Scholarship Program

Date: February 28, 2022

Re: URGENT Update - Change in CCSA Parent Fee Calculation

Dear CCSA Scholarship providers,

We are writing to let you know that beginning March 1, 2022, we are updating the way parent fees are calculated for children on CCSA Scholarship to 7% of the family's monthly income for a fulltime scholarship (the previous rate was 10%). Parent fees for parttime scholarships will be prorated accordingly. There will be no change to your total reimbursement rate, however, this change does mean that the proportion of your payment that comes from the parent fee will decrease and therefore the proportion of your payment that comes from CCSA will increase. Please see the example below, which uses the maximum reimbursement rate for an infant at a 5 star center in Durham:

	Family Monthly Income	Parent Fee Amount	CCSA Payment Amount	Max Reimbursement Rate
Old Rate (10%)	\$2700	\$270.00	\$1180	\$1450
New Rate (7%)	\$2700	\$189.00	\$1261	\$1450

Changing our parent fee rate to 7% is a program improvement we have been advocating for and working towards over many years, and it aligns us with national advocacy work around the standard for affordable child care in the U.S. This policy change is now part of our standard operating procedures. It is not a temporary change

Our scholarship counselors are currently working on updating client care plans to calculate the new 7% parent fees and will be sending new Notice of Award letters to you and to families as soon as they are ready. Please note that the 7% parent fee will apply only to the youngest child in a family on scholarship. The second sibling will continue to be assessed a 4% parent fee and additional siblings will continue to be 1%.

If you have already collected a family's March parent fee at the old 10% rate, please either refund the excess once you are notified of their new parent fee or credit it to their account to cover part of a future month's payment.

Please note that DCDEE will still be covering parent fees for the months of March through June for children on Smart Start - Durham Regular and Wrap Care - NC Pre-K scholarships as was previously announced. We know DCDEE has been delayed in their payments of January parent fees so we hope that by increasing our proportion of the payment slightly it will provide a small relief from the delay of receiving these payments from DCDEE.

As always, if you have any questions about this, please don't hesitate to let us know.

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