



**Child
Action**

Provider Booklet

Serving our community since 1976

Approved by Child Action
Board Of Directors
Effective March 25, 2026

Table of Contents

INTRODUCTION	1
OUR VISION	1
OUR MISSION	1
OUR VALUES	1
HISTORY OF CHILD ACTION	1
COMMUNITY ENGAGEMENT	2
COMMUNITY AND RELATIONSHIP ENGAGEMENT	2
YOUR RELATIONSHIP TO CHILD ACTION	4
IN-HOME PROVIDERS	5
RELATIVE PROVIDERS	5
YOUR RELATIONSHIP WITH THE PARENT	6
GENERAL POLICIES (REQUIRED BY STATE REGULATIONS)	7
CONFIDENTIALITY OF SERVICES	7
PARENT CHOICE POLICY	7
PARENTS' RIGHTS TO INFORMATION REGARDING PROVIDERS	7
PROVIDER PARTICIPATION POLICY	8
TRUSTLINE	9
ATTENDANCE REPORTING	10
PROVIDER RATES	13
CAPS	13
PROVIDER REIMBURSEMENT	13
METHODS OF PAYMENT	14
NON-REIMBURSABLE CHARGES	14
RATE INCREASES	15
STOP CHECK PAYMENT POLICY	15
PARENT FEES	15
REIMBURSEMENT FOR ABSENCES	15
ABANDONMENT OF CARE POLICY	16
FRAUD POLICY	16
TAX REQUIREMENTS AND REPORTING	17
PARENT – TERMINATION/DISCONTINUANCE OF SERVICE	17
PROVIDER DISENROLLMENT	18
PROVIDER REQUEST FOR RESOLUTION	19
SAMPLE ATTENDANCE FORM	20-21
CONTACT US	22

PROVIDER BOOKLET

Welcome to Child Action. You have been selected by a parent on our program to provide child care to his or her children. Because that parent has qualified for a child care subsidy that will cover part or all their child care costs, we can reimburse you for the care to which that parent is eligible. To be reimbursed for your services, you need to be aware of and follow both Child Action's policies and those of the governmental agencies which provide the child care funding. The purpose of this booklet is to explain those policies to you so that you can be reimbursed in a timely fashion for the care you have provided.

OUR VISION

All children and families in Sacramento County have access to affordable, quality child care and early education services.

OUR MISSION

We empower families and child care professionals with the tools and support services they need to successfully care for children.

OUR VALUES

- Quality care for children
- Families' right to choose services that fit their family needs
- Support for child care professionals in providing quality care
- Excellence and teamwork in all that we do
- Collaborative work within the community to develop services that support children and families

HISTORY OF CHILD ACTION

Child Action is a private, non-profit corporation created in 1976 to promote the education and social welfare of children and families and to advocate on their behalf. Our programs include resource and referral services for families seeking child care, child care subsidies for qualifying families, recruitment and professional development of the child care workforce, and family education and support.

Our goal is to partner with families and assist them in the care and education of their children and to advocate beside them in support of their concerns.

Child Action is primarily funded by the California Department of Social Services, Child Care and Development Division, to provide subsidies and child care and development and Development Division, to provide subsidies and child care and development services. Child Action adheres to all California Department of Social Services regulations governing child development programs and operates in accordance with all State of California laws governing non-profit agencies.

Child Action operates on a non-discriminatory basis, giving equal access to services without regard to race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, and military and/or veteran status.

COMMUNITY ENGAGEMENT

Child Action is your local child care resource and referral agency and is funded by the California Department of Social Services, Child Care and Development Division. We are a parent choice program which means it is the parent's responsibility to select a provider for their children. The provider chosen by the parent may be licensed or non-licensed but must operate in accordance with applicable State of California laws or codes. Child Action never places children in the care of providers.

The Community Engagement Department supports parents and providers in a variety of ways. Parents may contact the department for referrals to licensed child care providers. Licensed providers may contact the department to be enrolled in our Referral Files. Providers who enroll in the referral database are asked to complete a profile, provide a current child care license, signed rate sheets and file certification. The Community Engagement Department also supports community members who are interested in becoming a licensed family child care home or interested in opening a child care center. Additional services include workshops and trainings on health and safety, child development and business development.



COMMUNITY AND RELATIONSHIP ENGAGEMENT (CARE)

Child Action offers child care subsidies and services in Sacramento County through the programs we administer in our CARE Department. We receive funding from federal, state, and local governments, and each of our funding sources has its own rules and regulations regarding eligibility and approvable need for child care. The following programs are administered by our CARE Department:

- **Alternative Payment Program (CAPP):** Families are enrolled in this program from the Childcare Eligibility List (CEL), a list of eligible families maintained by Child Action. Families with children receiving Child Protective Services have priority. Families without children receiving Child Protective Services are ranked based on income adjusted for family size. When there are multiple families in the same ranking on the CEL, families with children who have exceptional needs are given priority, followed by families in which the primary home language is not English, and finally by which family has been on the CEL the longest.
- **CalWORKs Stage 2 Program:** Families are placed on Stage 2 after a parent's approved activity has stabilized or when the family is transitioning off cash aid. Clients may continue to receive child care on Stage 2 for up to 24 months after they no longer receive cash aid.

- **CalWORKs Stage 3 Program:** Families on Stage 2 may transfer to this program when they have exhausted their 24-month limit on Stage 2 (referred to as timing out). Stage 3 can continue for as long as the family remains eligible and continues to have a need for care. If a family is enrolled when 24-month eligibility is exhausted, transfer to Stage 3 will be processed internally by Child Action. No action is needed by the client to transfer to Stage 3 once timed out.

In addition to the above programs, Child Action serves as the **Single Point of Entry for Providers** to create a seamless transition from Stage 1 to Stage 2. All providers caring for families on Stage 1 (administered by Sacramento County), Stage 2, Stage 3, CAPP and Foster Care Bridge are enrolled by Child Action's CARE Department.

YOUR RELATIONSHIP TO CHILD ACTION

Unless you are providing child care in the home where the child lives, you are an independent contractor selected by a parent enrolled on Child Action's CARE Program. If you are providing care in the child's home, you are considered an in-home provider and are the employee of the parent. [See "In-home Providers" section below.] Nothing contained in this booklet is intended or is to be construed to create a partnership or joint venture between Child Action and parents or providers enrolled on our program. Providers enrolled on Child Action's program are not and will not become employees, partners, agents, or principals of Child Action. Providers are not entitled to the rights or benefits afforded to Child Action employees, including disability or unemployment insurance, workers' compensation, medical insurance, sick leave, or any other employee benefit.

Child Action does not inspect or warrant the condition of providers' facilities or the quality of supervision the children receive. Child Action assumes no responsibility for injury or damages arising from the performance of our agreement for services. Parents and providers agree to indemnify and hold harmless Child Action, its officers and its employees from costs, suit or liability allegedly arising from the provision of child care services.

Child Action reserves the right to refuse enrollment to any provider who owes an outstanding debt to Child Action (including outstanding parent fees or reimbursement for services), or has provided false or misleading information, either as a parent or a provider on our program.

This means:

1. You are not the employee of Child Action. You are an independent contractor or business owner who works for the parent who has selected you to be their child care provider. Or, as stated above, if you provide care in the child's home, you are the employee of the parent who hired you.
2. Child Action cannot function in any way as your employer. For example, we cannot:
 - a. Verify your employment for anyone
 - b. Pay unemployment benefits
 - c. Be a reference for loans, housing, etc.
3. Child Action does not withhold any taxes from any payments made for child care. You are responsible for your own taxes and insurance. We will issue you a Form 1099 at the end of each calendar year and send a copy to the Internal Revenue Service and the State Franchise Tax Board. It is your responsibility to file your own tax returns. **It is important to note that the government will consider any money you receive from Child Action as income and if you do not report it, you may be subject to audit fines and penalties.**
4. You are responsible for keeping your own business records. We recommend that you speak with a tax consultant that can help you set up your business records appropriately as soon as you start providing child care. This is important because you may be eligible to claim deductions on your tax return for business expenses.
5. As an independent contractor, you set your own rates. The State of California has set a ceiling on what Child Action can pay, if your rates are higher than what we can pay, the parent is responsible for paying you the difference.
6. The rates you charge to parents on Child Action's subsidy program must be the same as what you charge or would charge to the public.

Child Action offers child care subsidies and services through the programs we administer in our CARE Program. We receive funding from the federal, state, and local eligibility and approvable need for child care. Therefore, it is possible that two families receiving services from CA and using the same child care provider may have different rules applied to their cases.

As a State- and County-funded program, Child Action retains the right to share information or to verify documentation supplied by the parent or provider with any applicable State or County agency including, but not limited to, Department of Human Assistance, Community Care Licensing, Child Protective Services, or the District Attorney's office.

All our programs provide parents with a child care certificate (also referred to as "child care schedule" or "CCS") and allow them to select their own providers. Eligible families may obtain certificates/subsidies for their child until their income exceeds state income eligibility ceilings or until their child ages out of the program.

IN-HOME PROVIDERS

The California Department of Social Services (CDSS) has mandated all alternative payment programs to comply with federal labor law regulations as they pertain to in-home care.

When unlicensed child care takes place in the home where the child resides, regardless of the relationship between the provider and the child and regardless of who owns the home, the care is considered in-home.

If child care is in-home, federal labor law considers the parent the employer and the provider the employee. The parent is required to fulfill the responsibilities of the employer by paying the legally required minimum wage (overtime if necessary), withholding all applicable taxes, and carrying Worker's Compensation Insurance.

If you are providing child care in the child's home, be sure that you understand your rights and responsibilities to the parent who hired you.

RELATIVE PROVIDERS

The California Department of Social Services (CDSS) has defined a "relative" provider as one who is the aunt, uncle, or grandparent of the child by blood, marriage, or court decree. Child Action requires verification of relationship for all relative providers. Documents establishing relationship could include birth certificates, marriage licenses or court orders. Unless a relative can produce such documentation, they will have to be TrustLine-cleared (defined later in this handbook) to be paid by Child Action.

YOUR RELATIONSHIP WITH THE PARENT

The parent has hired you to be their child care provider and entrusted you with the care and well-being of their children. The better you communicate with the parent, the better care you will be able to provide to the children. We strongly recommend that parents visit your site and discuss with you all relevant issues related to their child's care, including:

1. Days and times when you are available to provide care.
2. Your charges for child care for the days/hours the parent needs.
3. Additional services you may provide (such as meals, snacks, transportation), for which the parent will have to pay.
4. Any additional costs you might expect the parent to pay.
5. How the parent wants discipline handled and whether you agree.
6. Specific needs of the child:
 - a. Is the child on any medication? If yes, what kind and what time during the day does the child receive the medication?
 - b. Does the child have any food allergies?
 - c. Does the child have any specific health or cognitive needs?
7. Emergency information:
 - a. Who should be contacted in the case of an emergency? If the parent cannot be reached, who should be notified?
 - b. Where should the child be taken in case of an emergency?
 - c. What type of medical insurance does the family have?
 - d. Who is authorized to pick up the child from care?



GENERAL POLICIES (REQUIRED BY STATE REGULATIONS)

When you agree to provide care to a child receiving a child care subsidy, you agree to accept the regulations and policies set by state law, funding sources and Child Action. The purpose of this portion of this booklet is to inform you of those regulations and policies.

CONFIDENTIALITY OF SERVICES

The use or disclosure of any information maintained in the families' files concerning parents or their children is limited to purposes directly connected with the administration of Child Action's program. No other use of this information shall be made without the parent's prior written consent unless it is subpoenaed by a court of law. Parents have access to the information in their family's file.

PARENT CHOICE POLICY

Child Action is a parent choice program which means it is the parent's responsibility to select a provider for their children. The facility chosen by the parent may be licensed or non-licensed but must be operating in accordance with applicable State of California laws or codes. Child Action never places children in the care of providers.



Parents may change their care settings to meet their needs, but they are required to provide Child Action with a ten (10) working day notice, and parents must give their providers notice in accordance with their provider's rules. Changes are always contingent upon the availability of funds. Child Action does not pay for notice time if no care was used. Provider changes are only effective with prior approval.

PARENTS' RIGHTS TO INFORMATION REGARDING PROVIDERS

Oliver's Law (AB 458 Zettel) requires all child care resource and referral programs and alternative payment programs to advise every person who requests a child care referral of their right to view the licensing information of a licensed child day care facility.

Parents who choose a licensed provider have the right and responsibility to view any licensing information regarding site visits to their provider's facility or records related to any substantiated or inconclusive complaints about the child care provider that they select to care for their children. This information is public and licensed providers are required by state law to make these records accessible to parents. In addition, state law requires licensed providers to give parents a Notification of Parents' Rights form.

For information about licensed providers, parents may call the Office of Community Care Licensing at 1-844-538-8766 (toll-free). Child Action strongly recommends that parents review a potential child care provider's licensing history before placing their child in care. Parents who choose a child care program exempt from licensure (such as a parent co-op, recreation program, or community-based program) should ask the program staff about their complaint policies.

Parents who choose a non-licensed child care provider have the ongoing responsibility to see that their provider continually meets required basic health and safety standards as stated in Child Action’s Non-Licensed Child Care Provider Statement, which both parents and providers are required to sign.



Megan’s Law (AB 488 Parra) provides the public with internet access to detailed information on registered sex offenders. Parents can visit the Department of Justice “Registered Sex Offender” database at www.meganslaw.ca.gov.

PROVIDER PARTICIPATION POLICY

State regulations specify certain criteria that providers must meet to be reimbursed for child care services. These criteria are:

1. Be licensed or exempt from licensure. For licensed providers, Child Action must have a copy of the current license in our files to make payment.
2. Provide care in Sacramento County or provide care to families residing in Sacramento County.
3. Operate on a nondiscriminatory basis, giving equal treatment and access to services without regard to race, sex, color, creed, religion, national origin, or ancestry.
4. Have a pre-printed rate sheet showing the rates that the provider charges for services (all licensed providers).
5. Allow parents, during normal business hours or when the children are in care, unlimited access to their children and written records regarding their children.
6. Complete a W-9 form for Internal Revenue Reporting.
7. Be at least 18 years old.
8. Be free of active tuberculosis.
9. Cannot have been convicted of any crime involving violence against, abuse or neglect of children.
10. Not be a member of the child’s assistance unit or counted in the family size.
11. Agree to maintain confidentiality regarding all children and families receiving services.
12. Report if location of care changes and/or if provider’s address changes.
13. Report when ownership of facility changes (child care center).
14. Must submit any requested documentation (i.e., address verification, employment verification, time sheets, school schedule). Because all documentation must be verified, it must include a contact person’s name and phone number.

TRUSTLINE

State law requires all non-licensed child care providers (other than the child's aunt, uncle, or grandparent) to be TrustLine cleared before they can be reimbursed for services. The TrustLine process, which consists of a background check conducted by the California Department of Social Services, can take as little as a few days or as long as a year or more, depending on circumstances. TrustLine registration is granted once a provider clears the background check.

This means that if you are not licensed or the child's aunt, uncle, or grandparent, you will need to fill out a TrustLine application form, be live scanned (electronic fingerprinting), complete a Criminal History form, and wait for the background check to be completed and cleared before we can reimburse you for any services. If you are the aunt, uncle, or grandparent, you will be asked to provide documentation of your relationship to the child.

State law prohibits Child Action from paying providers whose TrustLine application is pending, denied, or closed. If your TrustLine application is not cleared, we will not be able to pay you for services.

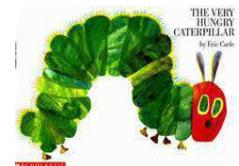
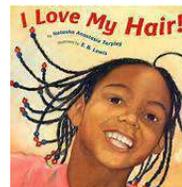
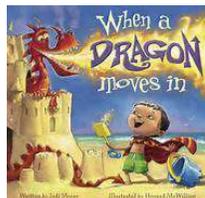
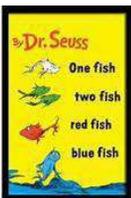
In addition, if your TrustLine is ever revoked, we will stop payment immediately. If your TrustLine is denied, closed, or revoked, Child Action will not issue payment regardless of your relationship to the child(ren). Once you are TrustLine registered, you do not need to reapply even if you are caring for different children; however, if any future actions on your part result in your TrustLine being revoked or if you are licensed and your license is suspended or revoked, Child Action will be notified, and we will stop payment immediately.

State law also prevents Child Action from paying any provider convicted of a crime against a child, regardless of relationship. Child Action uses public web services such as Megan's Law and Saccourt to verify a provider's record. We also receive reports from DHA's Integrity Unit regarding providers convicted of crimes against children.

NOTE: Once a provider is enrolled, Child Action will terminate payment if we are notified of any of the following:

- a. TrustLine case has been closed, denied, or revoked.
- b. Provider has active or contagious tuberculosis.
- c. Provider has been convicted of any crime involving violence against, or abuse or neglect of children.

This policy applies regardless of the relationship of the provider to the parent.



ATTENDANCE REPORTING

The California Department of Social Services (CDSS) requires parents to maintain a daily in and out record (attendance form) for each child on Child Action's program.

- Child Action issues an attendance form for each child for each month. Only care for the specified month (which is printed on the attendance form) should be documented on the attendance form. Care for two months should never overlap on one attendance form. If you have not received an attendance form by the time care has started, you should have the parent contact their Child Action CARE Specialist immediately or you can call Child Action directly.
- Attendance forms should be kept with providers and are the only form of documentation accepted for billing. If form is misplaced or not received, a new form should be requested from the CARE Specialist.
- Attendance forms must be completed daily at the actual time of drop-off and pick-up. Write the exact time on the attendance form, circling AM or PM.
- The hours recorded on the attendance form must be the exact hours the child was in care. It is a violation of State regulations for providers to ask parents to record hours in advance. It is also a violation of State regulations to record child care hours that were not provided. Attendance forms that are not filled out daily will be marked as incomplete, which will delay payment.
- If the hours of care differ from those on the child care schedule (CCS), the appropriate reason code should be used to explain the discrepancy.
- If you make a mistake on the attendance form (for example, write the wrong date), you should cross out the error and initial it, and fill in the correct information. Do not use white out.
- When care has ended for the month, the provider and the enrolled parent (not an authorized pick-up person) must sign the attendance form, verifying the accuracy of the hours entered on the form. Providers and parents cannot sign for each other and should sign using their legal signatures. It is a violation of our policies for providers or parents to pre-sign attendance forms.
- Providers are encouraged to bill their customary charges on the attendance form.

Each day a child uses care requires the time of entry and the time of exit from care.

Children that use care before and after school will have additional in and out times listed in the split schedule section of the attendance form.

If a child is absent or does not use scheduled care, the parent or authorized pick-up person must fill in the “Reason Code” box with one of the codes listed below:

C	Provider was closed	S	<ul style="list-style-type: none"> Child/family member sick, at Dr.’s appt, funeral; or absent from care for another medical reason School-age child was sick and used more hours than scheduled on a school day
		A	<ul style="list-style-type: none"> Child did not use care because child/parent on vacation, visiting a relative, or another non-medical reason
C-COVID	Provider was closed due to a COVID related reason	M	<ul style="list-style-type: none"> Minimum school day

1. The “**C**” code is to be used when a provider is closed and unavailable to provide care for all or part of a scheduled day of care.
2. The “**C-COVID**” code is to be used when a provider is closed due to a COVID related reason.
3. The “**S**” code is to be used when:
 - a. A child is absent from care or uses fewer hours than scheduled due to a medically related reason.
 - b. A school-aged child is ill on a school day and is in care for more hours because of the illness.
4. The “**M**” code is to be used for school-aged children only. It explains why a school-aged child used more hours on a school day (but within the approved hours on the CCS). It can also be used to explain why a kindergartner’s school hours and child care hours change on a minimum day.
5. The “**A**” code is to be used when a child is absent from care or uses fewer hours than scheduled due to a non-medical reason, or in the best interest of the child.



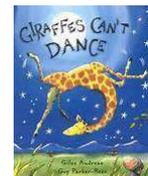
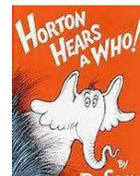
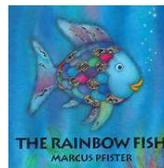
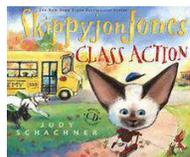
All incoming attendance forms are checked for accuracy and completeness, and are paid on a first come, first serve basis. Child Action will issue payment within 21 calendar days of receipt of a complete and accurate attendance form.

1. The attendance form must be complete, accurate and received by Child Action **no later than 5:00 p.m. on the fifteenth (15th) of the month following service**. If the fifteenth of the month falls on a weekend or holiday, forms must be returned no later than the last working day before the fifteenth.
2. The exact in and out times must be entered on days of care at the time of drop off and pick up.
3. If a child is scheduled for before-school care only, you may enter the exact time the child leaves care.
4. If a child is scheduled for after-school care only, you may enter the exact time the child enters care.
5. If a child is scheduled for before and after school, you may write the exact times the child leaves for and returns from school.
6. When the last day of care for the month has been provided, the billing side must be signed and dated by you and the **enrolled parent** (not the authorized pick-up person).



NOTE:

- Child Action can only pay for charges listed on the provider's billing statement on the front of the attendance form. You must list your charges by week. We will not pay for additional charges that are not listed on the attendance form.
- Since attendance forms may not be pre-signed or pre-dated, Child Action will not pay for days/hours of care provided after the attendance form has been turned in.
- The hours recorded on the attendance form must be the hours the child was in care. If the hours of care differ from those on the CCS, the parent should use the appropriate reason code to explain the discrepancy. If the CCS no longer reflects the child care needs, encourage the parent to contact Child Action and make a voluntarily request to change the CCS so that it better suits the child's needs.
- Do not alter or change Child Action's attendance form. Do not use "white out" on the form.



PROVIDER RATES

As an independent contractor, you set your own rates. You should discuss those rates with the parent to whom you are providing service so that the parent understands the costs of your services.

While the California Department of Social Services (CDSS) does not set provider rates, they do require that:

- All licensed providers must have a pre-printed rate sheet on file at Child Action that states the rates they charge non-subsidized children. The pre-printed rate sheet must also include information regarding the provider's discount, absence, and closure policies.
- Every child on Child Action's program must have a child care certificate stating the days/hours of authorized care and the agreed upon rate of reimbursement for that child.
- Providers cannot charge subsidized families more for their services than they charge non-subsidized families.
- Child Action cannot provide reimbursements that exceed the ceiling (CAPS).

[See "CAPS" section below]

CAPS

The State of California conducts regular surveys of providers throughout the state to determine the average cost of care per region. Based on these figures, they set a ceiling on the amount that agencies such as ours can reimburse for child care. We refer to this ceiling as the CAPS. Child Action can pay provider rates if they do not exceed the CAPS. If a provider's charge is over the CAP, the provider may collect the difference from the parent. Child Action is not responsible for the parent's balance of payment. The payment from Child Action shall be considered the full payment obligation incurred by Child Action.

PROVIDER REIMBURSEMENT

Child Action is bound by the regulations that govern all alternative payment programs. The regulations stipulate the conditions under which we can or cannot reimburse child care providers. Under these regulations, Child Action may not reimburse providers:

1. In advance of services rendered.
2. Until they have completed all the necessary paperwork for reimbursement.
3. Until the parent has enrolled on our program and has a written child care schedule approved by Child Action.
4. If the information in the provider's file is not current.
5. If attendance forms are incomplete and/or not signed.
6. If the parent or provider refuses to sign the attendance form.
7. If any information on the attendance form is false or inaccurate.
8. Days/hours on the attendance form do not fit within the care authorized on the Child Care Schedule.
9. If the parent or Child Action ends the agreement for services.
10. If the provider's license is revoked or if the provider's Trustline is denied, revoked, or closed.
11. If the provider has submitted any false information; or if the parent has submitted any false information for the provider.

Child Action does not pay for any bills incurred before a family is enrolled on our program or after Child Action has terminated services to the family. The dates of payment eligibility appear on the CCS. If services to the parent are terminated before the end date on the CCS, the CCS is no longer in effect.

METHODS OF PAYMENT

Child Action makes payment to providers through our Direct Deposit Program which electronically transfers money into the financial account of your choosing.

Providers have different choices for Direct Deposit:

- Checking Account
- Savings Account
- Pre-Approved Debit Card Account issued through Child Action
- Reloadable Prepaid Debit Card Account



A debit card allows providers who do not have a bank account to participate in the Direct Deposit Program. The debit card is a pre-approved bank account accessed through an ATM/debit card. No credit check is necessary. The card may be used at virtually any ATM and at nearly any merchant location where PIN-based debit transactions are accepted.

To get more information about the Direct Deposit Program, go to the Subsidy Programs section of our website at www.childaction.org, or contact Child Action CARE staff.

Payment by check is available to providers who do not wish to receive payment by direct deposit; however, providers are highly encouraged to enroll for direct deposit.

NON-REIMBURSABLE CHARGES

You may have other services that the parent might want to use, but Child Action will not pay for them. If the parent selects services for which Child Action does not pay, you will need to bill the parent directly for these additional services.

Child Action does not pay for the following charges:

1. Transportation charges.
2. Books or educational materials.
3. Private school costs or tuition.
4. Late fees.
5. Notice time when care is not used.
6. Fees for supplies.
7. Field trips.
8. Meals.



RATE INCREASES

We understand that as business owners, licensed providers may find it necessary to increase their rates or update their policies. When this happens, we ask that you notify us with as much notice time as possible so that we can update your records. Providers must notify Child Action of a rate increase by submitting a pre-printed rate sheet that includes the new rates and/or policies.

Child Action requires a 30-day written notice for all rate increases or policy changes. The effective date of the new rates and/or policies will be no earlier than the first of the month following the 30-day notification. For example, if you have a rate increase that is effective on September 1st, we need to receive your written notification by no later than August 1st.

When Child Action receives notification of a rate increase, we enter the information into our system and send you a new rate agreement to sign. We cannot pay the new rate until you have signed and returned your new rate agreement.

Approval of rate increases is subject to availability of funds.

NOTE: Child Action may require any additional documentation necessary to establish that providers are charging the same rates for subsidized children that they are charging non-subsidized families.

STOP CHECK PAYMENT POLICY

Although Child Action uses direct deposit to pay providers, occasionally circumstances require us to issue a check. In that case, if the check is lost, Child Action will only process a stop payment request thirty (30) days after the check was issued. We will reissue a new check five (5) days after receiving confirmation from the bank that the stop payment was processed.

PARENT FEES

Parents may be required to pay a portion of their child care costs, referred to as the parent fee. Parent fees are assessed for each month the child is enrolled in care. Parent fee amounts are established by the State of California and determined by the family's gross monthly income, adjusted for family size, and whether the child is **enrolled** for full time (130 hours or more per month) or part time (less than 130 hours per month) care as defined by the California Department of Social Services. Child Action must follow the 130 hours threshold for part-time monthly and full-time monthly family fee assessments. The definition of full-time and part-time child care used to determine provider payment differs, with part-time child care being fewer than 25 hours per week and full-time care being 25 hours or more per week.

Child Action collects any applicable parent fees directly from the parent.

REIMBURSEMENT FOR ABSENCES

Child Action hopes that children enrolled on our subsidy program use care consistently based on their scheduled care to maximize the benefits of their early learning and care experience. However, we also understand that life situations arise that may affect your child's attendance with their provider. The policies below describe the payment consequences when care is not used according to the approved child care schedules.

If the provider is providing care that is outside of the approved schedules, encourage the parent to contact his/her CARE Specialist to make a voluntarily request to change the CCS, if needed. Care provided outside of the approved schedules may result in underpayment or non-payment.

Non-Operational (Closure) Days

Child Action will pay the first ten (10) closure days, coded as “C” on the attendance form per fiscal year. The provider shall provide documentation that the closure days payment is also required of unsubsidized families.

ABANDONMENT OF CARE POLICY

When the family has not been using care for seven (7) consecutive calendar days and has not been in communication with the provider, the provider shall promptly notify Child Action.

Once notified, Child Action will attempt to contact parents via email, phone and/or mail to determine the for non-attendance and what further action is needed. If parent does not contact Child Action or provider within thirty (30) calendar days, a Notice of Action will be issued to disenroll the family and end services due to abandonment of care.

FRAUD POLICY

The California Department of Social Services (CDSS) requires Child Action, Inc. (CAI) to inform all providers participating in subsidized child care programs of the following:

1. Definition of Fraud

Fraud is the intentional deception or misrepresentation made by a person with the knowledge that the deception could result in unauthorized benefits or payments.

2. Examples of Fraud

Fraud may include, but is not limited to:

- a. Submitting false or inaccurate attendance records (e.g., claiming child care on days or hours when care did not occur).
- b. Providing false or misleading information about the child’s attendance, the parent’s employment or school status, or any other eligibility factors.
- c. Withholding or omitting information that affects program eligibility.
- d. Falsifying documents, signatures, or using pre-signed attendance sheets.

3. Agency Action if Fraud is Substantiated

- a. Families found to have committed fraud will be terminated from the program, and CAI will pursue recovery of any funds paid.
- b. Providers found to have participated in or contributed to fraudulent activity may be:
 - i. Disenrolled from CAI’s provider network.
 - ii. Held liable for repayment of improperly obtained funds.
 - iii. Referred to the Department of Human Assistance, Community Care Licensing, Child Protective Services, or the District Attorney’s Office for prosecution.

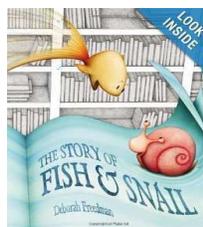
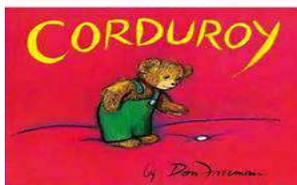
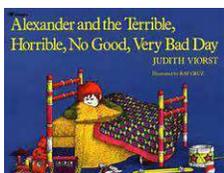
TAX REQUIREMENTS AND REPORTING

Child Action reports payments to providers of \$600.00 or more during the calendar year to both the Federal and State governments. At the end of each calendar year, you will be sent a Form 1099 (statement of non-employee earnings) stating the total money you received from Child Action during the calendar year. Copies of the Form 1099 are sent to the IRS (Federal government) and to the Franchise Tax Board (State government). You are required to claim those earnings when you file your income taxes. If you do not claim those earnings, you will likely be audited and may be liable for fines and penalties for failure to report income. Child Action is not responsible for any tax liabilities you might have.

Additionally, Child Action is required to report all independent contractors to the State Employment Development Department (EDD) for the purpose of child support enforcement.

NOTE:

- Any disputes you may have with any tax auditing organization are your responsibility. As stated in the Independent Contractor's Agreement that you signed, you hold Child Action harmless in any disputes over tax liabilities.
- If someone else uses your identity to receive child care payments, you will still be considered liable by the State and Federal government for tax purposes. It will be up to you to convince them that you did not receive the money. Child Action has no authority or investigative powers to assist providers in this matter.
- Child Action strongly advises parents or providers who have questions or concerns regarding the potential tax consequences of their child care payments to contact a qualified professional, the Internal Revenue Service (IRS) or the California Employment Development Department (EDD).



PARENT—TERMINATION/DISCONTINUANCE OF SERVICE

Parents may end their services with their provider either because they no longer want to use that provider or because they are no longer eligible to receive child care subsidies. Child Action asks parents to give their providers advanced notice whenever possible. You should make each parent using your services aware of any notice time payment requirements you have because Child Action is unable to pay for notice time unless care is used. If you expect to be paid for notice time, you need to make that arrangement with the parent. You have the right to ask families using your services to leave your facility or home for any reason.

PROVIDER DISENROLLMENT

State laws require that Child Action act should any of the following conditions occur:

License Expiration/Revocation/Suspension/Probation for any licensed facility

1. Revocation/Suspension

If your license is revoked or suspended, Child Action will cease to reimburse you as of the date of the revocation or suspension. You and the parent will be notified in writing that payment has been terminated and the reason for the termination. To continue receiving services from Child Action, the parent will have to select a different provider. A provider who has a license revocation or suspension cannot be reimbursed by Child Action as a non-licensed provider regardless of his/her relationship to the child(ren).

2. Probation

If you are placed on probation, Child Action will notify the parent of your probation status and explain that the parent has the option to select another provider or remain with you without risk of being terminated from the program. Child Action may not approve services for new families with you during the probationary period.

Change of Location

1. Licensed Providers

Child care licenses are not transferable. Any time a provider moves, s/he must apply for another license. When the new facility is licensed, Child Action requires a new Provider Information Sheet, Provider Statement of Understanding, and copy of the new license. To continue receiving subsidy payments, you must notify Child Action prior to moving. If there is a time lapse between your new and old license, no payment can be made for that time.

2. Non-Licensed Providers

If care is provided in the parent's home, Child Action must be informed if/when the parent moves. If care is provided in your home, you must notify Child Action prior to moving. In both cases, we will require that you update applicable forms in your file.



Change of Ownership

Any time a child care center changes ownership through a sale, transfer, or any other means, it must be re-licensed. The Provider Statement of Understanding and Provider Information Sheet are not transferable. Child Action cannot issue payment if we do not have a new license, a new rate sheet, a new Provider Statement of Understanding, and a new Provider Information Sheet.

TrustLine Denial/Revocation/Closure

State law prohibits Child Action from paying a provider whose TrustLine application is denied or closed. In addition, if a provider's TrustLine is ever revoked, we will stop payment immediately. If a provider's TrustLine is denied, closed, or revoked, Child Action will not issue payment regardless of the provider's relationship to the child(ren).

1. Denial of TrustLine usually means that the provider's application has not been approved because the provider has been convicted of a felony that would preclude him/her from safely caring for children.

2. Revocation of TrustLine means that a TrustLine application was previously approved but has been revoked, usually because the provider has committed a felony after the initial approval.

3. Closure of TrustLine means that the application cannot be approved, usually because part of the application is missing.

In addition, Child Action will no longer do business with a provider who does any of the following:

1. Violation of any rules listed on the Provider Statement of Understanding.
2. Falsification or submission of falsified information or attendance forms.
3. Failure to supply Child Action with required documents.
4. Forgery of any signatures on any documentation.
5. Behavior that endangers the health/safety/welfare of any child in her/his care.
6. Use of abusive or vulgar language, attempts to bribe, coerce, extort, or threaten any Child Action employee or client.

Child Action will give written notice of disenrollment. Whenever possible we will give you a two-week notice; however, the severity of the infraction will determine the timeliness of the notice. For example, license suspension, revocation, and expiration will lead to immediate disenrollment. The notice outlines the infraction and the reasons for disenrollment.

PROVIDER REQUEST FOR RESOLUTION

If you are dissatisfied with a decision made by Child Action, you should contact a Program Integrity Manager within fifteen (15) working days of the decision. If you remain dissatisfied after discussing the issue, the Program Integrity Manager will send you a *Provider Request for Resolution* form. You should complete this form and mail it to Child Action's located at 10540 White Rock Road Suite #180, Rancho Cordova, CA 95670-6012, within fifteen (15) working days. Child Action's management team will address the matter upon receipt.

If you ever have questions or need assistance, please contact Child Action's CARE Department or the family's CARE Specialist.



Child Action strives to assist families enrolled on our program to reach their goals, and we look forward to working with the providers they choose to care for their children.

Child Action, Inc.
10540 White Rock Road Suite 180
Rancho Cordova, CA 95670-6012



Parent Smith, Jane
Child Smith, Michael

Provider Acct AX123
Child DOB 11/27/2017

Care Code 03
Fund C2AP

Child Care Subsidy Coordinator
John Jones (916) 274-XXXX

Sample Attendance Form

September 2023 Attendance Form

AX123

Olga Doe
456 Main Street
Sacramento CA 95815

- Attendance Form is due by the 15th of the month following service
- Notify us if this child is absent for seven (7) consecutive days or more
- Do **not** use white-out

Billing Section:

Fees: If you have on record that you charge the fee types described below, you **MUST** bill the fee(s) when due by completing this section. If not billed in this section, they will not be considered for payment.

Registration Fee Type: Enrollment Annual Summer Other _____
Charge for this fee type is \$ _____ and is per Family or Child (must check one)

Other Fee Type: Materials Activity Supplies Other _____
Charge for this fee type is \$ _____ and is per Family or Child (must check one)

Child Care:

- Please enter your rates for child care in the appropriate categories. Bill **your** rate. Do not bill the CAPS.
- If you have fees in addition to child care rates, enter billing for those fees in the Fees section above.
- If your rate entry is different from your rates on the child care schedule, your payment may be delayed.

Monthly Rate \$ _____ / month

Weekly Rate \$ _____ / week If your weekly rate varies, enter:
Week 1 \$ _____ Week 2 \$ _____ Week 3 \$ _____

Daily Rate \$ 20 / day [X] 7 # of days \$ _____

Hourly Rate \$ _____ / hour [X] _____ # of hours \$ _____ / hour [X] _____ # of hours (if applicable)

PROVIDER: The provider marks the type of rate billed for the child and fills in the rate amount. In this example, the provider's rate is \$20/day when the child uses care on a school day. (Note that the amount entered as the provider's rate should always be the rate the provider charges for services and not the state CAP.)

Other Charges (if applicable)

PROVIDER: The Provider enters any additional charges.

In-service Days \$ 30 / (day)hour [X] 1 # (days)hours Specify dates: 09/04/2023

Minimum Days \$ 25 / (day)hour [X] 1 # (days)hours Specify dates: 09/11/2023

YOU MUST SIGN AND DATE THIS SECTION OF THE ATTENDANCE FORM ON OR AFTER THE LAST DAY OF CARE PROVIDED DURING THE MONTH OR IT WILL BE CONSIDERED INCOMPLETE. A FULL SIGNATURE IS REQUIRED.

I (the parent/provider) declare under penalty of perjury under the laws of the United States and the State of California that the facts contained in this attendance form are true, correct, and complete for the entire month and that the provider named in this form provided the child care.

Olga Doe
Provider Signature

September 29, 2023
Date

Jane Smith
Parent Signature

9-29-23
Date

PARENT and PROVIDER: The front of the Attendance Form must be signed and dated by both provider and parent.

Providers and parents should make sure to sign at the end of the month so they can accurately verify the total hours of care used. Child Action, Inc. will not pay for days/hours that occur after the Attendance Form has been turned in or past the date of the signatures. Providers and parents should sign just as they would a check and they must sign for themselves only.

Batch 80 completed Staff: _____

Batch 90 – Please rescan and email: _____

Date Completed: _____

IN THIS BOX

This document must reflect **actual time in care and be entered at the time of drop-off and pick-up**. Incomplete or inaccurate attendance forms may delay or affect your payment. For each day the child does not use care as scheduled, enter one of the codes listed below in the "Reason Code" box.

C	Provider was closed	S	<ul style="list-style-type: none"> Child/family member sick; at Dr.'s appt, funeral; or absent from care for another medical reason School-age child was sick and used more hours than scheduled on a school day
		A	Child did not use care because child/parent on vacation, visiting a relative, or another non-medical reason
C-COVID	Provider was closed due to a COVID related reason	M	Minimum school day

		Use if child has split schedule				Office Use Only	
	Date	Time In	Time Out	Time In	Time Out	Reason Code	
M	9/4	7:05 <small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	5:15 <small>AM PM</small>		
T	9/5	7:10 <small>AM PM</small>	7:50 <small>AM PM</small>	2:35 <small>AM PM</small>	4:40 <small>AM PM</small>		
W	9/6	7:00 <small>AM PM</small>	7:50 <small>AM PM</small>	2:35 <small>AM PM</small>	4:50 <small>AM PM</small>		
Th	9/7	7:00 <small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	7:50 <small>AM PM</small>		
F	9/8	2:35 <small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	5:00 <small>AM PM</small>		
Sa		<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>		
Su		<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>		
M	9/11	12:15 <small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	5:00 <small>AM PM</small>	M	
T	9/12	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	A	
W	9/13	10:15 <small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	5:05 <small>AM PM</small>	S	
Th	9/14	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	S	
F	9/15	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	C	
Sa		<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>		
Su		<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>	<small>AM PM</small>		

Refer to each example above by the date listed.

The parent is Jane Smith and the provider is Olga Doe. The child is scheduled to use care every Monday-Friday, 7am-5pm on non-school days and 7am-7:50am and 2:35pm-5:00pm on school days.

Each scheduled day that the child uses care must have complete times with AM or PM circled.

For each scheduled day that the child is absent, a reason code must be entered for the absence.

9/4	Non-school hours: Child must be signed both in and out of care by the adult dropping off or picking up from care each day care is provided.
9/5 9/6	Before and after school care: The person authorized to drop off the child must complete the first "Time In" box. The provider must complete the first "Time Out" box when the child is dropped off at school and complete second "Time In" box when the child returns to care after school. The person authorized to pick up the child must complete the second "Time Out" box when the child is picked up.
9/7	Before school only care: The person authorized to drop off the child must complete the first "Time In" box. When the child leaves for school, the provider must complete the first "Time Out" box.
9/8	After school only care: The provider must complete the first "Time In" box. The person authorized to pick up the child from care must complete the second "Time Out" box.
9/11	M code: Use the "M" code for a minimum school day. It explains when the child was in care at 12:15 pm on a school day when the child is usually in care at 2:35pm.
9/12	A code: Use the "A" code when the child is absent from care for the whole day for a non-medical reason.
9/13	S code (school-age child): Use the "S" code when the child uses more care on a school day due to medical reasons. For example, the child went to the provider's earlier than scheduled because the child left school early due to sickness. It explains why the child was in care at 10:15am on a school day when the child is usually in care at 2:35pm.
9/14	S code (any child): Use the "S" code when the child is absent from care the whole day or uses less care than scheduled due to a medical reason. For example, the child or parent was sick, had a doctor's appointment or attended a funeral.
9/15	C code: Use the "C" code when care is not used because the provider was closed. Do not use the "C" code if care was not used but the provider's facility was open.

CONTACT US

Free child care referrals are available online, by phone, or walk-in. Child care referrals are free to all families in Sacramento County.

Providers who are currently caring or will care for children subsidized by Child Action can contact the CARE Department at the number listed below.

Child Action

10540 White Rock Road, Suite 180
Rancho Cordova, CA 95670-6012
1-916-369-0191

Hours:

Monday – Friday
7:30a.m. – 5:00p.m.
No appointment needed.

For providers who are currently caring for children paid for through Child Action's subsidies or providers who will care for children subsidized by Child Action.

Fax Numbers

Administration	1-916-859-0361
CARE Department	1-916-859-9904
Community Engagement	1-916-859-9903

Visit us online at www.childaction.org