



**2011 MARKET RATE
RATE ADJUSTMENT REVIEW REQUEST
FOR LEGALLY EXEMPT (INFORMAL) PROVIDERS**

All legally exempt (informal) child care providers can receive a rate increase once a year, as long as the provider can show that he or she qualifies for the rate increase. The increased rate cannot exceed the 2011 New York State Market Rate set by the New York State Office of Children and Family Services.

INSTRUCTIONS TO COMPLETE THE 2011 MARKET RATE ADJUSTMENT REVIEW REQUEST APPLICATION

It is recommended to download the 2011 Market Rate Adjustment Review Request Application from the Administration for Children’s Services (ACS) website. Complete the four parts of the application on the computer, save a copy for your files, then print and sign a completed copy and mail (with required documentation) to ACS at:

ACS FINANCIAL SERVICES
150 William Street, 10th floor
New York, NY 10038
Attn: Rate Adjustment Review Unit – Legally Exempt

PART I: PROVIDER & RATE INCREASE ELIGIBILITY INFORMATION

- Complete Provider and Rate Increase Eligibility Information chart

PART II: ELIGIBILITY

- Use the chart below to compare the weekly rate ACS last paid you for child care to the October 2011 Market Rates.

CHART I – Legally Exempt Standard NYC Weekly Market Rates

		October 2011 Market Rate
CHILD AGE (Note: a child in care’s payment rate changes as the child ages)	Full Day or Part Day	Legally Exempt Standard
1] Newborn up to 1 year 6 months	f] Full Day	\$104.00
2] From 1 year 6 months to third birthday	f] Full Day	\$104.00
3] From third birthday to sixth birthday	f] Full Day	\$98.00
4] From sixth birthday to twelfth birthday	f] Full Day	\$98.00
1] Newborn up to 1 year 6 months	p] Part Day	\$70.00
2] From 1 year 6 months to third birthday	p] Part Day	\$65.00
3] From third birthday to sixth birthday	p] Part Day	\$70.00
4] From sixth birthday to twelfth birthday	p] Part Day	\$65.00

- Answer the two questions in Part II Eligibility which is on page one of the application to determine if you are eligible for a 2011 Market Rate increase.

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PART III: DOCUMENTATION

1. Type of Children Served and Documentation Needed

- Complete Table 1 by checking the type of children (ACS-subsidized and/or non-ACS-subsidized) you serve that then determines the explanation and documentation needed for a rate increase.
- Prepare documentation to demonstrate you qualify for a rate increase. You can demonstrate that your cost of care has increased in two ways:
 1. Proof of payment from a non-ACS subsidized parent who has paid you for child care and/or;
 2. Bills, receipts, leases, or other documents that show your expenses have increased.

2. Requesting a New Rate if Costs Have Increased

If you provide care for either (a) subsidized or (b) both subsidized and non-subsidized (private pay) children and you are requesting a new rate because of increased costs:

1. Complete Table 2 to demonstrate the difference between the old weekly cost of providing care and the new weekly cost of providing care.
2. Complete Table 3 to determine the amount of your combined weekly rate increase. When completing table 3, the number of children is your current enrollment.

- If the number in the **Combined Weekly Cost CHANGE** (Table 2) is greater than or equal to the number you wrote in the **Combined Rate Increase Request** (Table 3), your new rates will equal your Table 3 requested rate increase. Your payment rate will not exceed the 2011 Market Rate.
- If the number you wrote in the **Combined Weekly Cost CHANGE** (Table 2) is less than the number you wrote in **Combined Rate Increase Request** box (Table 3), your new rates will be proportionately adjusted to match the number your wrote in Table 2. Your payment rate will not exceed the 2011 Market Rate.

DOCUMENTING the Cost of Child Care Has Increased

You will need to provide copies of bills, invoices, receipts and other documents that demonstrate that the cost of providing child care has increased from one year to the next. The increases in costs have to be solely related to or clearly attributable to the operation of the child care program. The following are the types of costs of care and the types of documents that you will need to supply to show that costs have increased:

- 1) **Rent, Mortgage & Utilities** – Copies of mortgage invoices, signed leases, rent invoices, rent payment receipts or a signed letter from your landlord, and/or electric or gas utility bills to show that rental costs have increased. You need to supply copies of the same type of document at least one year apart to demonstrate that expenses have increased. For example, copies of December 2010 and December 2011 Con Edison bills would show that your utility expenses have increased. Only the portion of rent or utilities increases that are used for child care purposes can be used. For example, providing eight hours of child care per day for five days per week equals 40 hours of child care per week. Because there are 168 hours in a week, you can demonstrate that 40/168 or 24% of your weekly utility cost increase is for providing child care.
- 2) **Insurance** – Only those costs that the insurance carrier has specifically attributed to the existence of the child care program will be considered. Copies of insurance bills from that insurance carrier related to providing child care can be used to demonstrate the increased cost of providing care.
- 3) **Equipment** – A store receipt for equipment that is specifically for child care to demonstrate that your child care costs have increased. Examples of equipment include playpens, children educational toys, and child safety devices.



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- 4) **Supplies** – Store receipts for identical supplies that are specifically for child care that are one year apart can be used to demonstrate that your child care costs have increased. Examples include office, bathroom, cleaning, educational, and storage supplies.
- 5) **Food** – Proof of CACFP participation and store receipts for identical food items that are specifically for child care can be submitted to demonstrate that your child care costs have increased from one year to the next. Examples of food include baby formula, etc. Increased food costs incurred because a provider has voluntarily or involuntarily left the CACFP program will not be considered.

All documented expense increases must be converted into a weekly increase in cost of care. If you have a demonstrated annual increase (i.e. a lease), take the portion of the increase that is for child care service and divide it by 52.2. If you have demonstrated monthly increases (i.e. utility bill), take the portion of the increase that is for child care service and divide it by 4.4. Equipment expense is treated as an annual cost and must be divided by 52.2.

NOTE: You may not include any costs that are associated with maintaining compliance with existing New York City Department of Health and Mental Hygiene or New York State regulations.

3. Requesting a New Rate if Serving Private Paying/Non-ACS-Subsidized Children

If you also provide care for non-subsidized (private pay) children and you are requesting a rate because your private pay exceeds the amount paid by ACS:

- 1. Complete Table 4 to demonstrate the payment amount of your weekly rate.

DOCUMENTING the Private Payment of Child Care

If you provide child care for a private pay/non-subsidized child and are paid more than ACS has been paying you to provide these child care services, you may use proof of this non-subsidized payment to increase your child care payment rate. Proof of payment is:

- a. Copy of a dated bill or an invoice from you to the parent for whom you are providing non-subsidized child care
- AND**
- b. One month of cancelled checks proving that the bill or invoice was paid.

- If the **PAYMENT AMOUNT** in column [c] is greater than the **CURRENT WEEKLY RATE** in column [b], you qualify for a higher rate.
- If the **CURRENT WEEKLY RATE** in column [b] is greater than the **PAYMENT AMOUNT** in column [c], submitting this form would reduce your rate.

PART IV. ATTESTATION

- Review application for completeness and accuracy. Sign and date the attestation. Submit completed application with documentation to ACS.

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FOUR (4) PAGE APPLICATION FOLLOWS