



## MEMORANDUM

Gladys Carrión  
Commissioner

150 William Street  
18<sup>th</sup> Floor  
New York, NY 10038

Susan Nuccio  
Deputy Commissioner/  
Chief Financial Officer  
Financial Services

150 William Street  
10<sup>th</sup> Floor  
New York, NY 10038

Email Address:  
susan.nuccio@dfa.state.ny.us

**DATE:** April 23, 2014

**TO:** Board of Directors and Executive Directors,  
EarlyLearn NYC Providers

**FROM:** Courtney LeBorious 

**SUBJECT:** **EarlyLearn Monthly Disbursement Report:  
Remittance Advice Descriptions  
EL Numbered Memorandum #14**

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The Administration for Children's Services (ACS) Division of Financial Services is issuing the attached *ACS EarlyLearn Monthly Disbursement Report: Remittance Advice Descriptions*. Each month, effective April 2014, EL Providers will receive a Microsoft Excel file that provides a remittance advice comprised of supporting schedules for your most recent payment. The attached document provides detailed definitions and descriptions for these schedules (as listed below) as well as for the individual components that are contained in each schedule:

1. The Summary 14 Tab,
2. The Monthly 14 Tab, and
3. The Family Child Care Network (FCCN) Tab

EL Providers with a Family Child Care Network (FCCN) will receive the monthly remittance advice containing all three tabs [The Summary 14, The Monthly 14, and The FCCN Tabs]. For providers that do not have a FCCN, the remittance advice will only include two tabs [The Summary 14 and The Monthly 14 Tabs].

This tool will be used to explain how calculations behind each month's distribution were made. Contractors will be able to review the enrollment days and aggregate parent fees amounts that determine their monthly earnings.

If you have any questions, please contact your ACS Budget Analyst.

**ADMINISTRATION FOR CHILDREN'S SERVICES**  
**EARLYLEARN MONTHLY PAY FOR ENROLLMENT DISTRIBUTIONS**

**Monthly Disbursement Report**

Each month, you will receive a Microsoft Excel file that provides a Remittance Advice that includes supporting schedules for your most recent payment. If you do not have a Family Child Care Network (FCCN), the Remittance Advice will include two tabs [**The Summary 14 and The Monthly 14 Tabs**]. If you have a FCCN, it will include three tabs [**The Summary 14, The Monthly 14, and The FCCN Tabs**]. The Remittance Advice will include the following:

**The SUMMARY 14 Tab**

The FY2014 EarlyLearn Estimated Earnings and Distribution History Summary for your entire organization are reported on this tab. The summary includes:

- **Payment/Type/Date/Amount [Columns. A through D]** - The payments that have been made each month, and the service month that payments were initially applied against.
- **Distributed Earnings [Column F]** - The updated distributed earnings for each service month. As enrollment and parent fee information is updated each month, the amount of distributed earnings for that month may change.
- **Disbursements [Column G]** - Reports the sum of disbursements initially made for each service month. Kindly note that while earnings can change from month to month, disbursements will remain the same.
- **Estimated Earnings less Disbursements [Column H]** - Compares the updated distributed earnings to the amount initially distributed. The difference is the amount ACS owes to contractor, or the amount the contractor owes ACS. The sum of these differences is adjusted against the most recent month's disbursement. When this column totals zero [line 43] payments and earnings have been reconciled.
- **Estimated Parent Fees [Column I]** - Updated estimated parent fees for each service month. Since parent fees may be updated each month, this amount may change.
- **Budget [Column J]** - Full month budget including parent fees. The monthly budget equals the contracted capacity for each site and child age multiplied by the contracted rates and the number of service days in a month.
- **Earnings + Parent Fees/Budget [Column K]** - The sum of the distributed earnings and estimated parent fees divided by the monthly budget provides the percentage of budget utilization.
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The monthly Distributed Earnings, Estimated Parent Fees and Budget amounts reported on **The Summary 14 Tab** match the monthly totals reported in **The Monthly 14 Tab**.

**The MONTHLY 14 Tab**

The calculations for each month's distributed earnings; parent fees and budget are reported by site and child age. There is a calculation line for each site and child age that sums to the monthly information. If you have a family child care network, you can find additional information on earnings information on the FCCN tab. **The Monthly 14 Tab** includes:

- **Contract Information [Columns A – H]** - The program name, address, model type, child age, payment rate and capacity for each site.

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- **Enrolled Seats [Column I]** – Reflects the average enrolled children each month. This can be calculated by dividing the number of days in the service month by the number of days children were **enrolled** during the same month. For example, July 2013 has 23 service days. If a child was enrolled from July 9 through July 26, they were enrolled for 14 days out of the maximum of 23 days. As such, in order to calculate the number of enrolled seats, you would divide the enrolled days (14) by the service days (23) to arrive at the correct number of enrolled days [.61].
- **Enrolled Days [Column J]** - The combined number of days that **all** children were enrolled by site and child age.
- **Full [Contract] Budget [Column K]** - The full monthly budget is calculated by multiplying the contracted rate by the contracted capacity by the number of service days in each month. Kindly note, the sum of this column is the same as the budget column in the Summary 14 tab [see Column J].
- **Parent Fees [Column L]** – Parent fees are estimated using the WES/ACCIS parent fees owed amount prorated for the number of service days each month. The sum of monthly estimated parent fees is the same as that reported monthly in the Summary 14 tab [see Column I].
- **Distributed Earnings [Column M]** - The amount disbursed to the contractor for each site by child age. This is equal to the combined earnings less estimated parent fees. The sum of monthly distributed earnings is the same as that reported monthly in the Summary 14 tab [see Column F].
- **Combined Earnings [Column N]** - Equals the rate multiplied by the enrolled seats multiplied by the service days [column I X column G X monthly service days = combined earnings]
- **Payment as % of Budget [Column O]** – Percentage can be obtained by dividing the combined earnings (column N) by the full budget (column K).
- **Children Served [Column Q]** - The number of different children served in a month. Since a child may not be enrolled for the full month, the number of children reported in column Q is usually greater than or equal to the average number of children served [Column I].

#### **The FCCN Tab [FCCN Contractors only]**

Combined earnings by month, child age and provider license type is provided in this tab.

- **Month and Days [Columns A and B]** – Number of service days in each service month.
- **Enrolled Seats [Columns C through J]** - The monthly average enrollment for each child age and provider license type. Multiplying the monthly average enrollment by the number of service days each month provides the combined number of days children were enrolled. The monthly enrollment in column K is the same as the average enrolled children reported each month in **The Monthly 14 Tab** [see Column I].
- **Enrollment Disbursement [Columns L through S]** - Earnings are calculated by multiplying the number of service days each month by the average enrollments by child age and provider license type by the matching rates that are provided in rows 21 and 22 [Columns L through S

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with the sum of all earnings in column T]. The monthly earnings in column T are the same as the combined earnings reported each month in **The Monthly 14 Tab** [see Column N].

Kindly note, FCCN **initial** disbursements are calculated based upon child enrollments. Final disbursements for the year will be determined by attendance [including allowable absences, holidays, etc.], not by enrollment.

**Frequently Asked Questions**

***How is my monthly payment calculated?***

Each month's Estimated Earnings for the upcoming month's disbursement is calculated by using the number of children enrolled in the WES/ACCIS system approximately eight (8) business days before the beginning of the upcoming month. For example, April 2014's initial estimated monthly earnings were calculated using the number of children that were enrolled in the WES/ACCIS system on March 19, 2014. The number of enrolled children on March 19, 2014 was then multiplied by the number of service days in the upcoming month (22) and the daily rate for each site and child age. The result is your distributed earnings for April 2014. Where applicable, estimated parent fees were deducted and the net is your distributed earnings for the month of April.

***If my distributed earnings are fluctuating throughout the year, how will parent fees be adjusted?***

At the end of the Fiscal Year, the annual parent fees owed will be deducted from your final enrollment earnings to determine the revenues for the year.

***At the end of the year, how will I know if ACS has paid me for all of the children I have served?***

Annual revenue will be compared to the funds you have received from ACS during the Fiscal Year to determine net funds owed from/to the contractor. For Family Child Care Networks (FCCN), the revenues for the year will be determined by attendance [including allowable absences, holidays, etc.], not by enrollment.

***Since ACS is retrieving enrollment data on a specific day each month, how are the children enrolled after that date being captured?***

Every month, the prior months' estimated earnings are recalculated using updated WES/ACCIS enrollment numbers from the same date that the upcoming month's estimated earnings are calculated, namely approximately eight (8) business days before the beginning of the upcoming month. Each prior month's enrollment changes that have occurred since the last distribution will be included when recalculating each prior month's estimated earnings. Prior month enrollment data is the sum of days that children were enrolled. Each month's recalculated distributed earnings are compared to the amount that was actually distributed in the prior month and the net difference is added to or subtracted from the upcoming month's payment. You can see these changes in your Remittance Advice in Column H of **The Summary 14 Tab**.

***Why does the number of children served differ from the number of enrolled seats?***

Since a child may not be enrolled for the full month, the number of children reported in column Q of **The Monthly 14 Tab** is usually greater than or equal to the average number of children served Column I. Again, you will only receive payment for the number of days a child is enrolled.

***Who can I contact if I have a question about my payment?***

Contact your ACS Budget Analyst.