2 (Glossary) the definition of At Risk has been updated to include Developmental Disability.

4.3.3.21 (MFIP/DWP Authorized Activities) in the 4th bullet under the 1st paragraph adds clarifying language. It adds clarifying language about the employment plan in the 6th bullet under the 3rd paragraph. It adds clarifying language in the 4th paragraph about MFIP and Baccalaureate and advanced degrees in an approved employment plan.

4.3.6 (Transition Year (TY)) in the 7th paragraph 2nd bullet adds "original". Under the sub-heading, “TRANSITION YEAR AND WAITING LIST REQUIREMENTS” in the 2nd paragraph deletes "effective".

4.3.12.3 (BSF Students) It adds clarification on post baccalaureate education in the last paragraph.

4.3.12.6 (BSF Authorized Activities and hours) It adds a clarifying sentence about full time students and school breaks.

6.15.9 (Annualizing Rental Property Income) It adds clarifying sentences in paragraphs 1 and 2 regarding rental property.

9.6 (Payments to Families) It reorders the page for clarity regarding in home care.

9.9 (Determination of Payment Amounts) It clarifies copayment obligations for families.

9.30 (Authorization of Care and Payments) It reworks the entire section regarding rates and authorization of care needed.

9.36 (Care During Medical Leaves of Absence) Adds 3 paragraphs regarding single parents and the use of medical leave during limited work availability due illness.

9.54 (Special Needs) Replaces Mental Retardation with Developmental Disability.

11.06 (License Exempt Centers) Updated 4th bullet in 1st paragraph about accrediting agencies.
ADMINISTERING AGENCY:
A county social services agency or a public or non-profit agency designated by the
county board to administer the child care fund.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 4

ADMINISTRATIVE EXPENSES:
Costs associated with the administration of direct services covered by the child care
fund. These include:

➢ Salaries, wages and related payroll expenses including those for direct personnel
costs, expenses for general administration and supervision, secretarial, clerical,
accounting and other support services.

➢ Travel, transportation and per diem or subsistence expenses.

➢ Materials and office supplies.

➢ Publication, telephone, postage, and photocopy costs.

➢ Others expenses directly attributable to the child care fund.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 5

AGE OF CHILD:
Infant. See INFANT
Preschool. See PRESCHOOL
School Age. See SCHOOL AGE
Toddler. See TODDLER

ALLOCATION:
The share of the total state appropriation of child care funds that a county may earn
and be reimbursed for in a calendar year. Department of Human Services (DHS) may
increase a county’s allocation by redirecting unexpended or unencumbered funds, or
when additional funds become available. DHS may decrease a county’s allocation
proportionate to the reduction in the total allocation when funding decreases are
implemented within a calendar year.

Legal Authority:
APPLICANT:
All parents, stepparents, legal guardians or eligible relative caregivers who are members of the FAMILY and reside in the household that applies for child care assistance.

Legal Authority:
Minnesota Statutes 119B.011, Subd.2

AHIC:
See AT-HOME INFANT CHILD CARE PROGRAM.

AT-HOME INFANT CHILD CARE PROGRAM:
At-Home Infant Child Care (AHIC) Program is part of the Basic Sliding Fee Child Care Program. AHIC provides short term funding to replace part of a family’s income that is forgone when a parent chooses to stay home during all or part of his/her child’s first year of life. See §13 (At-Home Infant Child Care (AHIC) Program).

Legal Authority:
Minnesota Statutes 119B.035
Minnesota Rules 3400.0235

AT-RISK:
Environmental or familial factors that create barriers to a child’s optimal achievement. Factors include, but are not limited to, a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, family violence, homelessness, age of the mother, level of maternal education, mental illness, mental disabilities, or parental chemical dependency or history of other substance abuse. See §9.54 (Special Needs).

Legal Authority:
Minnesota Rules 3400.0020, Subp.9a

AUTHORIZED PROVIDER:
A legal child care provider who has completed the county registration process and has been approved for child care assistance payments. See §11 (Providers).

AUTHORIZATION OF CARE:
The county determination of care needed and the payment associated with that care.
The authorization is based on the family, activity, age of the child, and the provider charge.

**BASIC SLIDING FEE PROGRAM:**
A sub-program of the Child Care Assistance Program for non-MFIP/DWP families with income below or equal to 47% of the State Median Income (SMI). See §4.3.12 (Basic Sliding Fee (BSF)).

**BLOCKS OF TIME:**
Payment made on a full-day or weekly basis. Payment can be made on a full-day basis when the child is in care for more than 5 hours per day. Payment can be made on a weekly basis when the child is in care for more than 35 hours per week. See §9.30 (Rate Authorization).

**BSF:**
See BASIC SLIDING FEE PROGRAM.

**CALENDAR MONTH:**
A period that begins with the 1st day of the month and ends with the last day of the month.

**CCAP:**
Child Care Assistance Program.

**CCAP FAMILY:**
See FAMILY.

**CHILD:**
A person 12 years old or younger, or age 13 or 14 who has a hearing impairment, visual disability, speech or language impairment, physical handicap, other health impairment, mental disability, emotional/behavioral disorder, specific learning disability, autism, traumatic brain injury, multiple disabilities, or deaf/blind disability which requires special instruction and services.

Legal Authority:
Minnesota Statutes 119B.011, Subd. 4

**CHILD CARE:**
Care of a child by someone other than a parent, stepparent, legal guardian, eligible relative caregiver or their spouses in or outside the child’s own home.
Legal Authority:
Minnesota Statutes 119B.011, Subd. 5

CHILD CARE FUND PLAN:
The county and designated administering agency shall submit a biennial plan to the commissioner of DHS. The plan shall include information requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

COPAYMENT FEE:
The amount the family must contribute as its share of child care costs. This amount is based on household income and size.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 24

COUNTY BOARD:
The board of county commissioners in each county.

Legal Authority:
Minnesota Statutes 119B.011, Subd. 9

DISABILITY:
A functional limitation or health condition that interferes with a child’s ability to walk, talk, see, hear, breathe or learn in order to meet the conditions required for an increased rate. Refer to section on Special Needs Rates. See §9.54 (Special Needs).

Legal Authority:
Minnesota Rules 3400.0020 Subp. 17a

DWP:
Diversionary Work Program. See §4.3.3.15 (DWP Overview).

DOCUMENTATION:
A written statement or record, including an electronic record, that substantiates information provided by a person or an action taken by an agency.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 18

EARNED INCOME:
See INCOME.

**eDOCs:**
A Web site that gives access to the Minnesota Department of Human Services (DHS) forms and documents in multiple languages.

**EDUCATION PROGRAM (applies to Basic Sliding Fee):**
Remedial or basic education or English as a second language instruction, a program leading to a general equivalency or high school diploma, post-secondary programs excluding post-baccalaureate programs, and other education and training needs as documented in an EDUCATION PLAN (EP). The EP must outline education and training needs of a participant, meet state and county requirements for education plans and meet the requirements of programs that provide federal reimbursement for child care services.

Legal Authority:
Minnesota Statutes 119B.011, Subd. 11

**ELIGIBLE RELATIVE CAREGIVER:**
An eligible relative caregiver is a person who is the caregiver of a child receiving an MFIP or DWP child only grant. The relative caregiver may or may not be receiving MFIP.

See §5.3 (Determining the CCAP Family), §5.9 (CCAP Family Composition Examples).

Legal Authority:
Minnesota Statute Section 256J.08
Minnesota Rule 3400.0020, Subp. 20

**EMPLOYMENT PLAN (applies to MFIP/DWP):**
An Employment Plan is developed by the job counselor and the participant which identifies the participant's most direct path to unsubsidized employment, lists the specific steps that the participant will take on that path, and includes a timetable for the completion of each step. The plan also identifies any subsequent steps that support long-term economic stability.

Legal Authority:
Minnesota Statutes, section 256J.49, Subd. 5
EXCLUDED TIME FACILITY:
A type of living arrangement which affects the determination of state residence and the county of financial responsibility. See 8.12 (Moving Between Counties).

FAMILY:
The Child Care Assistance Program (CCAP) defines a family as parents, step-parents, guardians and their spouses, or other eligible relative caregivers and their spouses, and their blood related dependent children and adoptive siblings under the age of 18 years living in the same home including children temporarily absent from the family in settings such as schools, foster care, and residential treatment facilities, or parents, step-parents, guardians and their spouses, or other relative caregivers and their spouses temporarily absent from the family in settings such as schools, military service, or rehabilitation programs. For information on how to determine CCAP Family, see §5.3 (Determining the CCAP Family).

FICA:

FULL CALENDAR MONTH:
From the first day of the month through the last day of the month.

HOUSEHOLD OF APPLICANT/PARTICIPANT/FAMILY:
The CCAP family as defined in §5.3 (Determining the CCAP Family).

HOUSEHOLD OF PROVIDER:
The provider and those people living with the provider or in the home during child care hours.

INCOME:
Earned or unearned income received by ALL FAMILY members, including public assistance cash benefits, at-home infant child care subsidy payments, and child support and maintenance distributed to or received by the family. See §6 (Income Eligibility).

INFANT:
Licensed Family Child Care:
A child is an infant up to 12 months of age.

Legal Non-Licensed Family Child Care:
Follow the Licensed Family Child Care definition.
Licensed Center Child Care:
A child is an infant up to 16 months of age. A child in center care may be considered to be an infant up to 18 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.

License Exempt Centers:
Follow the Licensed Center Child Care definition.

Legal Authority:
Minnesota Statutes 245A.02, Subd.19
Minnesota Rules 9503.0005

IN-HOME CARE:
Care provided in the child’s own home.

LEGAL GUARDIAN:
A person or an agency that has been appointed or accepted as guardian by a court of jurisdiction or tribal law.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 31b

MAXIS:
Minnesota's statewide automated eligibility system for public assistance programs.

MEC²:
Minnesota Electronic Child Care System.

MFIP:
Minnesota Family Investment Program. See §4.3.3.3 (MFIP Overview).

MINOR PARENT:
A parent who is less than 18 years of age.

OVERPAYMENT:
The portion of a child care payment that is greater than the amount for which a participant or provider is eligible.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 33
GLOSSARY

PARENT:
A child's natural, step, or adoptive mother or father.

PARTICIPANT:
A person with an active CCAP case. This includes suspended and reserved cases.

PRE-SCHOOL:
Licensed Family Child Care:
A child is a preschooler at 24 months of age up to being eligible to attend kindergarten within the next four months.

Legal Non-Licensed Family Child Care:
Follow the Licensed Family Child Care definition. *

Licensed Center Child Care:
A child is a preschooler at 33 months of age up to the age of being eligible to attend kindergarten within the next four months. A child in center care may be considered to be a preschooler at 31 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child. *

Licensed Exempt Centers:
Follow the Licensed Center Child Care definition. *

*CCAP recommends that counties pay preschool rates for children until September 1st following the child’s 5th birthday, unless the parent informs the county that the child will not be starting school in September of that year. In this case, the child would be a preschooler until September 1st of the following year.

Legal Authority:
Minnesota Statutes 245A.02, Subd.19
Minnesota Rules 9503.0005

PROVIDER:
Individuals or centers licensed by a state or tribe, license-exempt centers, and legal non-licensed individuals providing legal child care services. For more information, see §11 (Providers).

Legal Authority:
Minnesota Statutes 119B.011, Subd. 19
GLOSSARY

PROVIDER RATE:
The amount the provider charges for child care.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 35

PROVISIONAL AUTHORIZATION:
A temporary approval of a legal nonlicensed provider to provide care and receive payment for the care of a specific child or children receiving child care assistance when all the requested registration information/documentation, except the background check, is available to the county. See §9.3 (Payments to Providers).

Legal Authority:
Minnesota Rules 3400.0110 Subp.2a and 2b.
Minnesota Statutes 119B.125 Subd.5

PROVISIONAL PAYMENT:
A temporary payment paid to a legal nonlicensed (LNL) provider based on a provisional authorization. See §9.3 (Payments to Providers).

Legal Authority:
Minnesota Rules 3400.0110 Subp.2a and 2b
Minnesota Statutes 119B.125 Subd.5

RECOUPMENT OF OVERPAYMENTS:
The reduction of child care assistance payments to an eligible family or a child care provider in order to correct an overpayment of child care assistance.

Legal Authority:
Minnesota Statutes 119B.011, Subd. 21

REDETERMINATION:
The process by which information is collected periodically by the county and used to determine whether a recipient is eligible for continued assistance under the child care fund. See §10 (Redetermination of Eligibility).

Legal Authority:
Minnesota Rules 3400.0020, Subp. 37

REGISTRATION:
The process used by a county to determine whether the provider selected by a family
applying for or receiving child care assistance to care for that family’s children meets the necessary requirements for payment of CCAP for child care provided by that provider.

Legal Authority:
Minnesota Rules 3400.0120, Subp. 2
Minnesota Statutes. 119B.011, Subd. 19A

RESERVE:
The case remains active when the family is temporarily ineligible for assistance for a maximum of 90 days one academic semester/quarter, or until deactivated if a family has been receiving child care assistance but is temporarily ineligible due to increased income from active military service. Payments can not be made while a family is temporarily ineligible.

RESIDENCE:
The primary place where the family lives as identified by the applicant or participant.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 38A.

RSDI:
See RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE.

RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE:
A program operated by the Social Security Administration that provides a monthly income to retired people, survivors or dependents of insured people, and people with disabilities.

SCHOOL AGE:
Licensed Family Child Care:
A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if disabled.

Legal Non-Licensed Family Child Care:
Follow the Licensed Family Child Care definition.

Licensed Center Child Care:
A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if
disabled. **

License Exempt Centers:
Follow the Licensed Center Child Care definition.**

**CCAP recommends that counties consider a child to be school age (for payment purposes) on September 1st following the child’s 5th birthday unless the parent informs the county that the child will not be starting school in September of that year. In this case, the child would not be school age until September 1st of the following year. If a child starts school before the child’s 5th birthday, the child is considered school age on the day the child starts school.

Legal Authority:
Minnesota Statues 245A.02, Subd. 19
Minnesota Rules 9503.0005

SMI:
State Median Income.

SSI:
See SUPPLEMENTAL SECURITY INCOME.

STUDENT:
A person enrolled in an educational program as defined by the definition of EDUCATION PROGRAM. The following determines student status:

- A non-MFIP student is a full-time student if the student is enrolled in the minimum equivalent of 12 credits or 20 hours of classroom training per week.

- A non-MFIP student is a part-time student if the student is enrolled in a minimum equivalent of 6 credits or 10 hours of classroom training per week up to the minimum equivalent of full-time student status.

- An MFIP student is a student who is in compliance with the education or training requirements in the student’s Employment Plan.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 40

SUPPLEMENTAL SECURITY INCOME:
A program operated by the Social Security Administration that provides monthly
income to low income people who are AGED, BLIND, or have a DISABILITY.

SUSPENDED:
The family remains eligible up to 1 year if there are temporary breaks when child care assistance is not needed. See §8.9 (Suspending).

TEMPORARY ABSENCE:
A period of time a family member is physically absent from the family’s residence but still included in the household size as he/she intends to return to the residence. See §5.6 (CCAP Family – Temporary Absence).

Legal Authority:
Minnesota Rules 3400.0020, Subp. 40a

TODDLER:
Licensed Family Child Care:
A child is a toddler at 12 months of age up to 24 months of age.

Legal Non-Licensed Family Child Care:
Follow the Licensed Family Child Care definition.

Licensed Center Child Care:
A child is a toddler at 16 months of age up to 33 months of age. A child in center care may be considered to be a toddler up to 35 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.

License Exempt Centers:
Follow the Licensed Center Child Care definition.

Legal Authority:
Minnesota Statutes 245A.02, Subd. 19
Minnesota Rules 9503.0005

TRANSITION YEAR CHILD CARE:
Child care assistance used to support employment or job search for families who have received MFIP assistance or who were eligible to receive MFIP assistance after choosing to discontinue receipt of the cash portion of MFIP assistance or who have received DWP assistance for at least 3 of the last 6 months before losing eligibility for MFIP or DWP. Transition year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.
LEGAL AUTHORITY:
Minnesota Statutes 119B.011, Subd. 20

TRANSITION YEAR EXTENSION CHILD CARE:
Child care assistance used to support employment or job search for families who have completed their transition year of child care assistance and who are eligible for, but on a waiting list for, basic sliding fee services, for the duration of time necessary for the families to be moved from the basic sliding fee waiting list into the basic sliding fee program.

LEGAL AUTHORITY:
Minnesota Statutes 119B.011, Subd. 20A

UNITARY RESIDENCE:
The 2-month period when a county remains financially responsible for child care assistance benefits after a participant moves from that one county to another county.
Approve child care assistance for MFIP recipients in authorized activities in an Employment Plan (EP), based on the prescribed number of hours. If number of hours is not specified, do not authorize more hours than the activity requires and is needed for the child. Include travel time in the authorized hours. Never authorize more than 120 hours per 2 week period, per child. See §16.1 (CCAP Authorizations for Clients with an EP).

Treat the following activities outside of an EP as authorized activities:

- Job search up to 240 hours per calendar year per participant. There is no minimum amount of hours required for authorization. Job search includes locating and contacting potential employers, preparing for interviews, interviewing, and up to 2 hours travel time per day as needed.

- Financial and employment services orientations and assessments.

- Appeals and hearings for cash assistance.

- Employment at least an average of 20 hours per week, or 10 hours per week if a full-time student, and earning at least the applicable minimum wage.

  If the person receives other than an hourly wage, divide the salary by the hours worked to determine if the applicable minimum wage requirement is met.

  Education is NOT an authorized activity outside of an EP.

Treat the following activities in an approved EP as authorized activities:

- Employment services overviews and assessments.

- Social service and pre-employment activities

- Appeals and hearings.

- Job search as identified in the EP.

- Participation in work as identified in the EP.

- Participation in training, using actual time in class and study time, as identified in the Employment Plan.
Authorize child care assistance for any activity included in the EP of an MFIP/DWP participant.

- In some circumstances, MFIP allows for baccalaureate and advanced degrees to be included in an approved Employment Plan. If post baccalaureate education is included in an approved Employment Plan, child care assistance should be authorized for the post baccalaureate education activity according to the approved Employment Plan.

Families may be involved in a combination of activities.

Families receiving Family Stabilization Services (FSS) are eligible for child care according to the same rules and guidelines as other DWP or MFIP recipients. Child care is available for activities included in an FSS plan.

LEGAL AUTHORITY:

Minnesota Statutes 119B.011, subd. 12, 13a, 17 and 119B.05 and 119B.10
Minnesota Statutes 256J
Minnesota Rules 3400.0040 and 3400.0080
Transition Year (TY) Child Care is available to families whose MFIP or DWP closes, and who meet other criteria provided below.

Families must have received MFIP or DWP for at least 3 of the 6 months prior to the closing of their cash assistance. For example, a family whose MFIP was closed effective December 1st would have to have received MFIP or DWP (or a combination of both) for at least 3 months in the period from June through November.

NOTE: Families who choose to “opt out” of the MFIP cash portion are still considered MFIP participants.

In most TY cases, families were receiving MFIP child care assistance before their cash assistance closed and continue to need child care assistance after cash assistance closing. Move these families from MFIP child care assistance to TY child care assistance. When there is no break in receipt of child care assistance:

- Do not require a new application.
- Consider the family to have met the 47% or less of State Median Income (SMI) income limit in their 1st program of participation.

Former MFIP or DWP participants can apply for TY for up to 12 months after their cash assistance closes. In the example provided above, the family would be able to apply for TY through the following November, but their TY would end November 30th. **IF THERE IS A BREAK IN ELIGIBILITY BETWEEN MFIP AND TY CHILD CARE ASSISTANCE, THE FAMILY’S INCOME MUST BE AT OR BELOW 47% OF SMI TO BE ELIGIBLE FOR TY.** See §16.36 (Transition Year (TY) Eligibility Relative to 47% SMI).

For payment purposes, the retroactive eligibility cannot go back further than 6 months prior to the application signature date. Refer to the MEC² User Manual for instructions.

The family needs to cooperate with child support enforcement in order to approve eligibility for TY.

If a family begins receiving MFIP again, move the family to MFIP child care assistance and consider the following when the MFIP case closes again:

- Look at the previous 6 months. If the family received MFIP or MFIP and DWP for 3 of those previous 6 months, the family qualifies for a new 12 months Transition Year Period.
Look at the previous 6 months. If the family received MFIP or DWP for only 1 or 2 of those previous 6 months, the family is eligible for the remaining months of the original Transition Year period. Treat the month or months on MFIP as a suspension of the TY child care benefit but not the Transition Year period. The family may be eligible for MFIP child care during the time they receive MFIP or DWP.

Once families complete their 12 months of TY eligibility, move them to Basic Sliding Fee (BSF) child care if:

- They remain eligible.
- Your county has BSF funds available.
- Your county does not have any higher priority families on the waiting list.

TRANSITION YEAR AND WAITING LIST REQUIREMENTS

If your county does not have BSF funds available at the end of a family’s transition year, move the family to Transition Year Extension (TYE) and add them to your BSF waiting list as 2nd priority.

Transition Year families are placed on the waiting list the date their Transition Year period ends, their effective date for the waiting list is the date they 1st became eligible to apply for TY.

- If a TY family moves to a new county, the date that the family was place on the waiting list in the original county shall transfer with the family.
- If a TY family is eligible for TY child care but does not need child care at the time of TY eligibility, they retain their priority status on the waiting list.

TRANSITION YEAR STUDENTS

If a parent has an educational activity that meets the county requirements for an approved BSF education plan when their MFIP closes, and the county has no BSF waiting list, that family could be served in the BSF program as soon as possible. This family could go directly to BSF with an approved education plan when the MFIP case is closed.
A full-time student retains full-time status during school breaks, including summers, if the student is expected to return to school full time after the break.

LEGAL AUTHORITY:
- Minnesota Statutes 119B.011 Subd. 20
- Minnesota Statutes 119B.05 Subd. 1
- Minnesota Rules 3400.0060 Subp. 7
- Minnesota Rules 3400.0090
Your county must approve a student’s education or training program prior to authorizing child care assistance for education under Basic Sliding Fee (BSF). Education or training programs must reasonably lead to full-time employment opportunities as determined by the county. Use the criteria in your Child Care Fund Plan to assess this.

Provide ways to expedite and streamline the child care assistance application process for minor parents participating in school-based adolescent parenting child care programs.

Students must meet the requirements of education or Employment Plans. They must also maintain satisfactory progress in the education or training program. Require the student to provide documentation of satisfactory progress from the institution.

Your county must approve any changes in education and training programs prior to the change being made, to continue to authorize BSF child care assistance for these activities.

**BASIC OR REMEDIAL EDUCATION**

You must approve basic or remedial education programs needed to prepare for post-secondary education or employment. Do not apply specific time limits if the student is maintaining satisfactory progress as determined by the institution.

If your county has a waiting list, require students who do not have a GED or high school diploma, or who need remedial and basic skill courses, to be participating in an education program in order to be considered a 1st priority. See §4.3.12.9 (BSF Priorities).

**ASSOCIATE OR BACCALAUREATE EDUCATION**

Do not establish time limits for BSF students more restrictive than those established by the educational institution. However, do not authorize BSF child care assistance for more than the time necessary for a part-time or full-time student to complete the requirements the institution determines necessary for an associate or baccalaureate degree. Require the student to provide documentation from the institution regarding credits and hours necessary to complete the program. If you question whether a student is actually attending part-time or full-time, refer to the institution for that determination.

**POST BACCALAUREATE EDUCATION**

Do not approve a training plan for a 2nd baccalaureate degree or for education beyond a baccalaureate degree except for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.
LEGAL AUTHORITY:
Minnesota Statutes 119B.07
Minnesota Rules 3400.0040 Subp. 10 through 15
Basic Sliding Fee (BSF) child care assistance can be authorized for:

- Job Search.
- Education.
- Employment.
- Any combination of the above.

Authorize no more than 240 hours of job search per calendar year.

See §4.3.12.3 (BSF Students) for policies regarding authorizing BSF for education.

To authorize BSF to cover employment hours, require employment of at least an average of 20 hours per week and receipt of at least the applicable minimum wage for all hours worked. If the compensation is other than an hourly wage, divide the earned income by the number of hours worked to determine if this requirement is met.

If a full-time student also requests child care assistance for employment hours, require employment of at least an average of 10 hours per week and receipt of at least the applicable minimum wage for all hours worked. The training or education may or may not be approved by the county. The full-time student status needs to be verified. A full time student retains full time status during school breaks, including summers if the student is expected to return to school full time after the break.

LEGAL AUTHORITY:
Minnesota Statutes 119B.
For information on annualization of income, see §6.15 (Annualizing Income).

Treat income from the rental property as earned income when the owner spends an average of at least 20 hours or more a week on maintaining or managing the rental property. Treat the income as unearned when the owner averages less than 20 hours a week maintaining the rental property.

Deduct the following expenses from gross rental receipts:

- Real estate taxes.
- Insurance.
- Utilities.
- Interest payments of loans for capital assets.
- Annual expenses less than or equal to 2% of the estimated market value on the county tax assessment form for upkeep and repairs.

When the family lives on the rental property, divide the expenses by the number of units to determine the expenses per unit. Do not deduct expenses for units occupied by family members.

**LEGAL AUTHORITY:**
- Minnesota Statutes 119B.09, Subd. 4
- Minnesota Rules 3400.0170, Subp. 1, 4, 7, 8, 9, & 11
- Minnesota Statutes 119B.011 Subd. 15
Make payments directly to the family when a provider cares for children in the children’s own home.

Child care is considered to be **in-home child care** when the care is provided in the child’s home or when the provider and the family live in the same home where the care is provided.

For in-home child care, payment must be made directly to the family. **This applies whether the provider is licensed or legal nonlicensed (LNL).**

If the provider is licensed at the residence where the provider and the family live together the provider should be paid up to the maximum licensed family rate (but the payment is made to the family). If the provider is a LNL provider, the provider should be paid up to the maximum LNL rate.

If the provider is licensed at an address where the child does not live, but the provider provides care for a child in the child’s home, the provider is providing LNL care for that child and, for that care, should be paid up to the maximum LNL rate.

When your county pays the parent(s) and he/she fails to pay the provider the family is ineligible for child care assistance until:

- The payment is made.
- OR
- The family reaches an agreement for payment with the provider and the county.
- AND
- The family continues to comply with the payment agreement.

Do **NOT** require the family to pay providers in advance of receiving payment from the child care fund as a condition for receiving these payments.

Monitor these payments to ensure funds are used for child care, following your county’s established process.

The family is responsible for meeting any employer-related requirements when the care is provided in the child’s home.

A 1099 form is issued by DHS to the in-home provider at the end of the year.

LEGAL AUTHORITY:
- Minnesota Statutes 119B.09 Subd. 8, 9, and 10
- Minnesota Statutes 119B.13, Subd. 5 and 6
- Minnesota Rules 3400.0110, Subp. 1 and 7
- Minnesota Rules 3400.0040, subp. 6a
The payment amount is the provider’s rate minus the family copayment not to exceed the identified county maximum rate. See §9.24 (Provider Rates), §9.27 (Rate Differential for Accreditation).

Base the payment rates on the county where child care is provided. Pay out-of-state providers based on the participant’s county of residence.

Do not exceed the county maximum rate or the rate the provider charges to private pay parents, whichever is lower. Do not place other limits on the payment amount. See §6.21 (Family Copayment).

When the provider charge is greater than the maximum allowed, the parent must pay the difference in addition to any copayment fee.

When a family receives a post-secondary child care grant that is earmarked to cover the same child care expenses that could be paid by the child care assistance program, the entire grant must be used before CCAP can make payments. The parent is still responsible for the copayment fee.

If the county receives notification from the IRS, Minnesota Department of Revenue, or other public authority or court requiring the county to reduce a payment or payments, send the appropriate notice to the provider. See §12.6.12 (Payment Deduction Required By Law Notices) to determine which notice to send.

**LEGAL NONLICENSED PROVIDER RATE**

Make payments for care of children by a legal nonlicensed provider at the lesser of 80% of the maximum payment rate for licensed family child care in the same category of care or their provider charge. Pay legal non-licensed family child care providers on an hourly basis only. See §9.24 (Provider Rates), §9.24.3.3 (Child Care Rates - Regions 1) through §9.24.3.39 (Child Care Rates -Regions 11), §9.24.41 (Counties with NSH Rates), §9.27 (Rate Differential for Accreditation), §9.27.3.3 (Accreditation/Credential Child Care Rates-Regions 1) through §9.27.3.39 (Accreditation/Credential Child Care Rates-Regions 11).

**LICENSE EXEMPT PROGRAM RATE**

Make payments for care of children in license exempt programs (such as school based school-age programs, summer camps, etc.) at the same rate as licensed centers in the same age category.
SPECIAL NEEDS RATE
Payment rates for care of children with special needs may exceed your agency’s maximum rates. These rates are based on the provider’s actual charges for services beyond reasonable accommodation necessary to meet the child’s needs, and are included in your agency’s Child Care Fund Plan. Do not exceed the provider charge to private pay families receiving the same services. Providers are responsible for compliance with the Americans with Disabilities Act (ADA). When there are 4 or more rates for a specific special need, determine the 75th percentile to establish a special needs rate. You may have several different rates for special needs care, based on the individual special needs of the children being cared for.

CHILD CARE SUPPORT ORDER
A CCAP applicant or participant may have a Child Care Support Order that indicates that the noncustodial parent pay a percentage or a set amount of the child care expenses. If the noncustodial parent is making payments directly to the provider and the amount only covers the copayment or another part of the child care expenses that CCAP would not pay it would not effect the CCAP case. The provider would need to indicate on the billing form that the copay was paid or that there was a payment agreement. If the noncustodial parent is making the payment directly to the provider and the amount covers part of the child care expenses that CCAP would pay the provider should be directed not to bill CCAP for that part of the child care expense. In both of these situations the provider must keep records of the payments received and the payment sources. If the noncustodial parent is making the payment to the custodial parent the payment would be considered income to the custodial parent.

CO-PAYMENTS
Child care providers are responsible for collecting family copayment fees and must inform your agency if the copayment was or was not received. Most billing statements provide a declaration of receipt of the family’s copayment. Your agency may stop payment, or refuse to pay a submitted bill if the provider falsely declares receipt of the family’s copayment. When a family is unable to pay their copayment, a payment arrangement can be established between the provider and the parent. If the family receives partial or full reimbursement for child care expenses from sources other than child care assistance funds, reduce the amount of child care assistance by the amount of reimbursement earmarked for the same child care expenses. For example, some sources of financial aid for students specify an amount to cover child care expenses.
DETERMINATION OF PAYMENT AMOUNTS

9.9

RATE DIFFERENTIAL FOR ACCREDITATION

A provider or center holding a current early childhood development credential or accreditation may submit a request for payment of an additional 15% differential rate above the maximum rate, up to the actual provider charge. Pay the differential rate to both licensed and legal non-licensed providers. See §9.27 (Rate Differential for Accreditation), §9.27.3.3 (Accreditation/Credential Child Care Rates–Region 1) through §9.27.3.39 (Accreditation/Credential Child Care Rates–Region 11) for additional information.

SCHOOL READINESS CONNECTIONS PROJECT RATE

Providers selected to participate in School Readiness Connections Project (SRC) are eligible for up to 25% higher payment rate than the current county maximum rate for certain eligible CCAP children. Rates can be different than rates charged to non-SRC families, if the services provided under SRC are unique to SRC children. If the same services provided to SRC families are provided to non-SRC families, the rate charged to SRC families for those services would be applied to the non-SRC families. See §4.3.15 (School Readiness Connections Project) for more information.

LEGAL AUTHORITY:

Minnesota Statutes 119B.13 and 119B.231
Minnesota Rules 3400.0130
To determine the amount of care to authorize you need to know:

- Number of hours needed to support parent activity.
- Care needed by the child
- Availability of the provider

The amount of child care authorized must reflect the needs of the family and minimize out-of-pocket child care costs to the family.

If the child is authorized to be in care:

- More than 35 hours per week with a single provider, payment may be made on a weekly basis.
  OR
- More than 5 hours per day with a single provider, payment may be made on a daily basis.
  OR
- 5 hours or less per day, payment will be made only on an hourly basis.

Legal non-licensed providers are paid only on an hourly basis.

<table>
<thead>
<tr>
<th>RATE</th>
<th>ACTUAL HOURS OF CARE</th>
<th>COUNT TOWARD TOTAL HOURS OF CARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly</td>
<td>5 or less</td>
<td>Actual number of hours</td>
</tr>
<tr>
<td>Full-Day</td>
<td>Greater than 5</td>
<td>10 hours</td>
</tr>
<tr>
<td>Weekly</td>
<td>Greater than 35</td>
<td>50 hours</td>
</tr>
</tbody>
</table>

Payments may be made in combinations of hourly, full day or weekly rates when:

- More than 10 hours of child care are authorized in a 24 hour period.
- More than 50 hours of child care are authorized in a week.
- A child is in care with more than one provider.

Do not authorize more than 120 hours of care in a bi-weekly period per child.

Payment is the lesser of:

- your county’s maximum rate
  OR
- the provider charge.

Some providers charge in ways other than hourly, full-day, or weekly. For example, school
age care is often charged using ‘session rates’. In these cases, the hours of care authorized will determine if a daily or weekly rate may be paid. Payment will again be the lesser of the county maximum rate or the provider charge.

When Authorizing Care for School Age Children:

In many cases, school age children need care authorized for before and after school sessions. Often the care needed is such a small amount that it becomes difficult for families to find providers that are willing to care for their children.

If the amount of care needed is in increments of less than a full hour, the care should be rounded up during each separate session and added together to obtain a daily total of hours to be authorized.

Example: Child needs the following care 5 days per week:

<table>
<thead>
<tr>
<th>AM</th>
<th>PM</th>
<th>Total care authorized per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ½ hours = 2 hours</td>
<td>1 ½ hours = 2 hours</td>
<td>4 hours =40 hours/biweekly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rather than 30 hours/biweekly.</td>
</tr>
<tr>
<td>15 minutes = 1 hour</td>
<td>1 ¾ hours = 2 hours</td>
<td>3 hours =30 hours/biweekly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rather than 20 hours/biweekly.</td>
</tr>
</tbody>
</table>

LEGAL AUTHORITY:

Minnesota Statutes 119B.13
Minnesota Statutes 256J
Minnesota Rules 3400.0110 Subp. 3 & 4a
You must authorize child care assistance during a participant’s medical leave of absence from employment or education, if the following conditions are met:

- The participant is incapable of providing child care during the medical leave of absence.
- The participant is expected to return to employment or an approved education or training program within 90 calendar days after leaving the activity.
- The inability of the participant to provide child care and the necessity of the medical leave is documented by a physician or licensed psychologist.
- The amount of child care during the medical leave does not exceed the equivalent of 1 month of full-time care (50 hours x 4.3 weeks = 215 hours).

A single parent working less than 20 hours per week due to temporary illness, and meets the criteria listed above is eligible for child care during the medical leave.

Care can be authorized for limited work availability and also for parent medical leave. Child care would be authorized during employment hours. This care would not apply toward the 215 hours of care allowed for parent medical leave.

Care would also be authorized for time that the child is in care while the parent is unable to work or provide care and would be applied toward the 215 hours of care allowed during the parental medical leave.

LEGAL AUTHORITY:
Minnesota Rules 3400.0110 Subp. 10
Pay special needs rates to providers for the care of children who have special needs due to a disability requiring specialized training, services or environmental adaptations necessary to provide care for the child. A disability is a functional limitation or health condition that interferes with a child’s ability to walk, talk, see, hear, breathe or learn. Special needs may be any special medical, developmental and/or atypical behavior or condition requiring additional support measures to help the child successfully grow and develop to his or her full potential.

Reimburse providers for the care of children with disabilities or special needs at a special rate approved by your agency, subject to approval from the Department of Human Services (DHS). These payments may exceed your county’s maximum rate, but must never be greater than what the provider charges the private sector for the same service.

Your county may also choose to pay special needs rates to certain populations defined as at-risk in your Child Care Fund Plan. The county must have the approval of the Department of Human Services (DHS) for these rates to be paid. At-risk means environmental or familial factors exist that create barriers to a child’s optimal achievement. This could include, but is not limited to:

- A federal or state disaster.
- Limited English proficiency in a family.
- History of abuse or neglect.
- A determination that the children are at risk of abuse or neglect.
- Family violence.
- Homelessness.
- Age of the mother.
- Level of maternal education.
- Mental illness.
- Developmental disability.
- Parental chemical dependency or history of other substance use.
A special needs rate may be requested/approved when:

- The provider charges more for a child with special needs.
- OR
- The provider spreads the cost of caring for a child with special needs across all children in care. You may only pay the higher rate for the child with special needs. Do not exceed your agency’s maximum rate for all other CCAP children in care.

**FOR AN INDIVIDUAL CHILD WITH SPECIAL NEEDS**

Take the following steps to establish a special needs rate:

1. Require the parent and provider to complete the CCAP Special Needs Rate Variance Request – Parent and Provider Request (DHS-4194) together and ensure that documentation of the child’s special needs due to a disability is included.

2. Require the provider to sign the Notice of Privacy Practices for Child Care Providers (DHS-3985). The county retains this document.

3. Complete the CCAP Special Needs Rate Variance Request – County Recommendation Form (DHS-4195), recommending approval or denial of the rate requested by the provider. If you believe there should be a different rate than what the provider is requesting, include that in the county recommendation and explain. Remember each child’s special need may have variations to what may be defined in a diagnosis, and there are various degrees of severity in a diagnosis. The intervention, support and rate must reflect the personalized needs of the child.

4. Submit the parent and provider request form, documentation of the child's special needs, and county recommendation form to your agency’s Technical Assistance Liaison at DHS, Child Care Assistance Program, PO Box 64951, St. Paul, MN 55164-0951, or by fax to: 651-431-7526.

If approved by DHS, notify the provider and parent of the decision and pay the approved special needs rate retroactive to the effective date of approval on the official letter from DHS. If denied, notify the provider and parent of the decision and notify the parent of the right to appeal.

When the county has received the approval or denial letter from DHS, a resource referral document may also be included. Based on the information submitted, DHS is suggesting that the child may benefit from one or more of the services or resources checked on the referral document. When notifying the parent and provider of the approval or denial,
counties should also send a copy of the referral for resources.

FOR CHILDREN IN THE AT-RISK POPULATION

- If there are 4 or more providers offering child care for children in a specific at-risk category pay the lesser of the 75% rate, the rate negotiated with the provider by the county or the provider’s rate.

- If there are fewer than 4 such providers, pay the lesser of the rate negotiated with the provider or the provider’s rate.

It is the provider’s responsibility to assure compliance with the Americans with Disabilities Act (ADA).

Explore other funding sources within your region for the specialized service or environmental adaptations to assure parents are linked to important community services, and that child care funds do not supplant other resources. However, CCAP eligibility for a child with special needs is not contingent upon participation or eligibility in other support programs (for example, SSI).

For additional information and resources, see §16.30 (Special Needs Resource Contacts).

LEGAL AUTHORITY:
Minnesota Statutes 119B.13 Subd. 3
Minnesota Rules 3400.0130 Subp. 3
Minnesota Rules 3400.0020 Subp. 9a. and 17a.
License exempt centers include:

- Recreation programs for children operated or approved by a park and recreation board whose primary purpose is to provide social and recreational activities.

- Programs operated by a school whose primary purpose is to provide child care to school age children.

- Day camps licensed by the Department of Health under Minnesota Rules, chapter 4630.

- Programs operated by a nonpublic school for children 33 months or older until July 1, 2009.

- A program serving only children who are age 33 months or older, that is operated by a nonpublic school, for no more than four hours per day per child, with no more than 20 children at any one time, and that is accredited by:
  
  (i) an accrediting agency that is formally recognized by the commissioner of education as a nonpublic school accrediting organization; or
  (ii) an accrediting agency that requires background studies and that receives and investigates complaints about the services provided.

Pay license exempt centers at the same rate as licensed centers in the same age category.

Require a license exempt center to register with your county. See §11.12 (Provider Registration), §11.21 (Provider Authorization).

**LEGAL AUTHORITY:**

Minnesota Statutes 245A.03, Subd. 2