4.3.3.21 (MFIP/DWP Authorized Activities) adds information about travel time, and activities not included in an Employment Plan (EP).

4.3.16 (Head Start Full Day Integrated Child Care Programs) adds a link to child care programs that qualify for the full day CCAP payment.

4.9 (Transition Year Extension (TYE)) clarifies the use of TYE child care.

5.0 (CCAP Family Composition) adds legislative change regarding temporarily absent adult family members.

5.3 (Determining the CCAP Family) adds information regarding care when a child resides in more than one home.

5.6 (CCAP Family-Temporary Absence) update added on new legislative change.

6.6 (Earned/Unearned Income) replaces definition of Gross Income and adds examples of what can be included in Gross Income.

6.12 (Excluded Income) replaces food support language with supplemental Nutrition Assistance Program (SNAP) language.

6.15.6 (Annualizing Self - Employment Income) adds some language updates.

6.16 (Applicable Minimum Wage) reorders the links to state and federal wage laws.

7.3 (Verification –Initial Application) adds information about mail with a forwarding sticker, expands information about employment and school schedules at verification and verification of inconsistent information if it is related to eligibility.

7.6 (Verification at Redetermination) expands definition of employment and school schedules, adds inconsistent information if related to eligibility and any factor required to be verified at initial child care application that has changes since the last eligibility determination.

8.6 (Temporary Ineligibility) adds new information about military personnel.

8.9 (Suspending) adds information about employment and school schedules at redetermination.
8.12 (Moving Between Counties) adds updated information about MFIP and DWP families moving to a new county.

9.1 (Child Care Authorization) change of chapter title, reordered information and added information that would impact IAP reviews.

9.3 (Payment to Providers) adds information about new First Aid and CPR requirements for providers and retroactive payments.

9.9 (Determination of Payment Amounts) adds clarification of provider types, case noting and new language regarding the daily rate vs. the weekly rate definitions.

9.12 (Authorized Hours - Students) updates information about school breaks for students.

9.15 (Authorization Hours – Employment) updates information about hours authorized for an employment activity in the MFIP Employment Plan and when there is not an MFIP Employment Plan.

9.15.01(Authorized Hours-Self Employment) adds information to clarify how to determine self-employment income and minimum wage requirements.

9.18 (Authorized hours - Job Search) adds information about how to track job search hours.

10.3 (When to Re-Determine Eligibility) updates information about the minor parent redetermination timeframe and family report of change before next regularly scheduled redetermination.
Transition Year Extension (TYE) was designed to provide continuous child care assistance to families who complete their 12 months of Transition Year (TY), continue to be eligible, but cannot be moved into Basic Sliding Fee child (BSF) because your county lacks funds and has a waiting list. Approve TYE and retain the family on the Basic Sliding Fee (BSF) waiting list as 2nd priority. There is no time limit on TYE.

Transition Year Extension (TYE) child care may be used to support employment of at least an average of 20 hours per week, or 10 hours per week if the family member is a full time student and earning at least the applicable minimum wage. Job search is available for up to 240 hours per calendar year. TYE is available for the time necessary for families to be moved from the (BSF) waiting list into the (BSF) program. TYE families are not to be considered TY families.

If BSF funds become available and there are no 1st priority applicants, move TYE families into the regular BSF program. First serve families who have been in TYE the longest. See §4.3.12 (Basic Sliding Fee) for more information.

LEGAL AUTHORITY:

Minnesota Statutes 119B.011
Head Start enrolled children are eligible for CCAP payments for child care hours outside of the Head Start hours. In some cases Head Start enrolled children may be eligible for full day CCAP payments that include the Head Start hours, when Head Start and Child Care programs operate a full day integrated model.

A Head Start and Child Care full day integrated program model may operate in a Head Start facility, a child care center, or a licensed family child care provider home that provides Head Start services for at least eight hours per day in one facility.

The Department of Human Services, in conjunction with the Department of Education, has developed an approval process for full day Head Start Programs. Programs that operate a full day integrated model may submit an application to determine if they meet the criteria of operating a full day integrated model.

The programs that qualify for full day CCAP payment are kept on a list, posted on SIR in the MEC² area and programs that qualify on the Child Care Assistance Program CountyLink page. This list is kept up to date and available to counties so that county staff knows which payment principles to apply when authorizing care to a CCAP eligible child who is also enrolled in Head Start. See § 9.9 (Determination of Payment Amounts) and § 16.38 (Head Start & Child Care Assistance Payment Examples).

**Steps to determine if a CCAP eligible child enrolled in Head Start is eligible for full day services**

1. Determine if the CCAP eligible child is also enrolled in Head Start. This may be based on information from the application, family or child care provider/program.

2. Determine which hours the child attends the Head Start Program

3. Determine if the program is operating under Financial Service Model A or B.

   A. Check SIR/MEC² Content Area under Worker Resources for a list of Head Start programs that are approved for full day CCAP payments.

   B. Apply Financial Service Model A, if the program is on this list (include the Head Start hours). See § 9.9 (Determination of Payment Amounts).

   C. Apply Financial Service Model B, if the child attends a Head Start program for less than 8 hours per day in addition to another child care provider or program. Deduct the Head Start hours from the CCAP payments. If this totals more than five hours per day, apply CCAP full day payment policies.
D. See § 9.9 (Determination of Payment Amounts) and § 16.38 (Head Start & Child Care Assistance Payment Examples).

E. Contact your CCAP technical liaison and assistance will be provided to determine which payment principle applies, if the Head Start program is a full day program (at least 8 hours per day), but it is not on the list.
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 for 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. The full-time student status needs to be verified. See § 9.15 Authorized Hours-Employment.

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

- Except For: Political activities done for political purposes: when the act is done to influence voting as a primary or other election. This applies to any paid, unpaid, or subsidized private sector or public sector position.

- Except for: Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are NOT eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care.

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
- Minnesota Statutes 256J
- Minnesota Rules 3400.0040 and 3400.0080
The CCAP family consists of people who live together whose needs and income you consider together, in determining child care assistance eligibility. See §2 (Glossary) for the definition of family.

To determine who to include in a child care family, see §5.3 (Determining the CCAP Family).

An adult family member who is not in an authorized activity may be temporarily absent up to 60 days, and then will be removed from the CCAP household. See §5.6 (CCAP Family - Temporary Absence).

LEGAL AUTHORITY:
Minnesota Statutes 119B.011
For information on what constitutes a family for the Child Care Assistance Program (CCAP), see the definition of FAMILY in §2 (Glossary).

An adult family member who is not in an authorized activity may be temporarily absent for up to 60 days. People may remain in a Child Care Assistance Program (CCAP) family while temporarily absent under certain conditions; see §5.6 (CCAP Family - Temporary Absence).

An adult age 18 or older who meets the definition of family and is a full-time high school or post-secondary student may be considered a dependent member of the family if 50 percent or more of the adult student’s support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same family. To include the adult student as a dependent in the family, the family must verify that it provides 50 percent or more of the student’s support. Agencies may want to set up criteria for determining the level of support. Suggestions include determining household costs, for example, rent, utilities, and food. Divide the amount by the total number of family members. Assign a percent to each member, and then compare that to the adult student’s income. The adult student’s earned and unearned income must be included in determining the household income, if the adult student is included in the family, unless the adult student is under the age of 19 and has not earned a high school diploma or GED.

When a minor parent or parents and his/her, or their child or children are living with other relatives, and the minor parent or parents apply for a child care subsidy, “family” means only the minor parent or parents and their child or children.

When a child resides in 2 homes, both families can apply for child care assistance. Shared custody arrangements are an example of this. The child is considered to be temporarily absent from each home during the time the child is not in residence in that home. The child is included in the household size in both homes. Child care assistance can only be paid on each case during the time the child is residing with that parent. Both cases would have to cooperate with child support enforcement as there is an absent parent in each case. Eligibility, income, copayment, and household size are determined separately for each case.

When a child resides in more than one home and care is needed by both parents who use different providers, care should be authorized to avoid the payment of absent days to one of the parent’s provider when care is being paid to the other parent’s provider.
The Department of Human Services (DHS) has developed a series of case examples to assist you in determining the CCAP family. See §5.9 (CCAP Family Composition Examples).

LEGAL AUTHORITY:
Minnesota Statutes 119B.011, Subd. 13
People may remain in a Child Care Assistance Program (CCAP) family while temporarily absent under certain conditions. Children included in the CCAP household size may be considered temporarily absent from the household if they intend to return to the CCAP household. Continue to include these children in the CCAP household size. Do not authorize care for these children.

An adult included in the CCAP household size may be considered temporarily absent from the household if they intend to return to the CCAP household. An adult family member who is not in an authorized activity may be considered temporarily absent for up to 60 days. When the temporarily absent adult is not in an authorized activity and has been absent from the household for 60 days MEC\(^2\) will remove, the absent adult from the CCAP household, and will change household size. This may result in the need for child support cooperation. Children and temporarily absent adults who are in an authorized activity are not subject to the 60 day restriction. The CCAP worker must determine if the absent adult family member is in a CCAP authorized activity. The activity must be verified.

For more information on a CCAP family, see §2 (Glossary), §5.3 (Determining the CCAP Family), §5.9 (CCAP Family Composition Examples).

Temporary absences may include, but are not limited to:

- Family members attending schools away from the home.
  OR
- Children in foster care.
  OR
- Family members in residential treatment facilities.
  OR
- Family members in military service.
  OR
- Family members in rehabilitation programs.

**LEGAL AUTHORITY:**
Minnesota Statutes 119B.011, Subd. 2 & 13
Minnesota Rules 3400.0040, Subp. 5
Earned income is a payment a family member had to expend individual effort or labor to receive. Examples are:

- Wages/salaries.
- Paid vacation or sick leave.
- Uniform, mileage and meal allowances if federal income tax is deducted from the allowance.
- Fair market value of housing if housing is provided as part of total work compensation.
- Tips/gratuities.
- Self-employment income.
- Commissions.
- Incentive payments from work or training programs.
- Jury duty pay.

Gross earned income is income from employment prior to any payroll deductions. Gross income includes such things as 401K contributions and pre-tax medical/dental accounts. Refer to §6.18 for information on income deductions that should be deducted from annual gross income.

Unearned income is a payment a family member did not have to expend individual effort or labor to receive. Expenditures necessary to secure payment of unearned income are deducted from the unearned income. Examples of unearned income are:

- Cash portion of MFIP.
- Work Benefit (WB).
- DWP.
- Relative Custody Assistance.
• Interest or dividends.

• Unemployment Compensation.

• Disability insurance payments.

• Insurance payments or settlements.

• Veteran benefits.

• Pension payments.

• Child or spousal support, medical or child care support which is not assigned to the state.

• Retirement, Survivors, Disability Insurance (RSDI).

• Severance payments.

• Lump sums such as insurance settlements, court settlements and child support arrears.

LEGAL AUTHORITY:
Minnesota Statutes 119B.09
Minnesota Statutes 119B.011
Minnesota Rules 3400.0170
Exclude the following types of income:

- Supplemental Security Income (SSI).

- Earnings and payments to individuals participating in programs under title 1 of the Workforce Investment Act.

- Scholarships, work study, income and grants that cover costs or reimburse for tuition, fees, books and educational supplies.

- Student loans for tuition, fees, books and living expenses.

- State and Federal earned income tax credits.

- In-kind income such as (SNAP) Supplemental Nutrition Assistance Program (including the food portion of MFIP), Energy Assistance, Foster Care, Medical Assistance, Child Care Assistance and housing subsidies.

- Grants from the Family Subsidy Program.

- Non-reoccurring lump sum income to the extent that it is earmarked and used for the purpose for which it is intended.

- Earned income for full time or part time students up to the age of 19, who have not earned a high school diploma or GED high school equivalency diploma. This includes earnings from summer employment when the family member is not actually attending school, as long as the student intends to return to school the following year.

- Child support and spousal maintenance, medical support and child care support which is assigned to the State.

- Assistance specially excluded as income by other laws, including but not limited to Adoption Assistance and AmeriCorps.

- Payments made by a source other than the family of part or all of the family’s child care expenses not payable under the CCAP if the funds are paid directly to the family’s child care provider on behalf of the family.
EXCLUDED INCOME

LEGAL AUTHORITY:

Minnesota Statutes 119B.011
Minnesota rules 3400.0170
To annualize self-employment income and determine income eligibility, do the following:

1.  Determine Gross Self Employment Receipts

2.  Determine the operating Expenses.

3.  Subtract the operating Expenses from the Gross Self Employment Receipts.

4.  The difference is the CCAP Gross Earned Income from Self Employment.

NOTE: You must annualize self-employment income BEFORE you determine the number of hours to authorize. For information on determining the number of hours to authorize, see §9.15.1 (Authorized Hours – Self-Employment).

Allow operating expenses that are allowed by the Internal Revenue Service (IRS), unless specifically prohibited. The following expenses are NOT allowed:

- Purchases of capital assets.
- Payments on the principal of loans for capital assets.
- Depreciation.
- Amortization.
- The cost of building an inventory, until the time of the sale.
- Transportation costs exceeding the amount allowed by the IRS for use of a personal car (currently $.50/mile).
- Transportation costs between home and the place of employment.
- Wages and salaries paid to and other employment deductions made for members of a family for whom an employer is legally responsible, provided family income is only counted once.
- Monthly expenses for each roomer greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
ANNUALIZING SELF-EMPLOYMENT INCOME 6.15.6

- Monthly expenses for each boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.

- Monthly expenses for each roo\-mer-boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.

- Annual expenses greater than 2% of the estimated market value on a county tax assessment form as a deduction for upkeep and repair against rental income.

- Federal, state and local income taxes.

- The employer’s own share of FICA.

- **Money set aside for the self-employed person’s own retirement.**

Receipts are budgeted in the month received. See §7.9 (Income Verification).

Expenses are budgeted against receipts in the month paid except:

- Purchase of inventory must be deducted at the time payment is received for the sale.

- Expenses paid at least annually, but less often than monthly must be prorated forward over the period in which they are intended to cover (cannot exceed 12 months). Examples of this would be unemployment taxes or insurances.

**LEGAL AUTHORITY:**

  - Minnesota Statutes 119B.09
  - Minnesota Rules 3400.0170
  - Minnesota Statutes 119B.011
There are both state-minimum-wage laws and federal minimum wage laws. In cases where an employee is subject to both the state and federal minimum wage laws, the employee is entitled to the higher of the two minimum wages. [www.dli.mn.gov/LS/FedMinWage.asp](http://www.dli.mn.gov/LS/FedMinWage.asp)

The federal minimum wage should be applied to contracted, salaries, or self-employed applicants or participants unless the person can supply information to show that they are not subject to this standard. The county should work with the applicant or participant to identify the correct applicable amount if the person believes that they should not be subject to the Federal minimum wage but verification is not available.

The above link provides the contact information for the MN Department of Labor and Industry.

If a worker receives an hourly wage from their employer, assume that the applicable minimum wage is being paid by the employer.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10
Minnesota Rules 3400.0040
This page left intentionally blank
Verify the following at ALL initial child care applications using the Minnesota Child Care Assistance Program Application (DHS-3550) form:

- Identity of all members of the household.
- Presence of the minor child in the home, if questionable.
- Relationship of minor child(ren) to the parent, stepparent, legal guardian, eligible relative caretaker, or the spouses of any of the foregoing.
- Age of the child(ren) in the family.
- Age of the applicant if he or she is under 21.
- Citizenship and immigration status of all children for whom child care assistance is being sought. A child who is participating in child care in a setting subject to public educational standards, such as in Head Start or a pre-kindergarten or school-age care program operated under public educational standards, is exempt from this requirement. See §7.12 (Verifying Citizenship and Immigration Status).
- Social security number, if given. The county MUST request social security numbers from all applicants for child care assistance. A county must NOT deny child care assistance solely on the basis of failure of an applicant to provide a social security number. Before asking for the social security number, the county must give the applicant the Minnesota Department of Human Services Notice of Privacy Practices (DHS-3979), which explains whether the disclosure is mandatory or voluntary; under what authority the number is being requested; and how the number will be used.
- Income. See §7.9 (Income Verification).
- Spousal support and child support payments made to persons outside the household.
- Residence. The family must verify their address. Mail may be used to verify residence. Any form of mail provided by the client that shows their current name and address may serve as adequate proof of residence. A forwarding address sticker received at the administering agency from the US Postal Service cannot be considered verification of residence for CCAP. Inconsistent information, if related to eligibility.
- Inconsistent information, if related to eligibility
• Employment and/or education status of adult family members including employment and/or class schedule. The schedule must show the days and times worked or the days and times that classes meet. If employment and/or class schedule is not provided, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the family’s employment and education schedule is not required if the Employment Services worker has indicated days and the hours that child care is needed.

• School schedule for every child who needs child care and attends school, such as a school calendar with start and end times. Verification does not need to include the child’s name. Worker obtained verification of the school schedule is acceptable. If there is not verification of school schedule for every child who needs child care and attends school, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the child’s school schedule is not required if the Employment Services worker has taken the child’s school schedule into account and indicated the days and the hours that child care is needed.

LEGAL AUTHORITY:
Minnesota Rules 3400.0040
Minnesota Statutes 119B.025
Verify the following at the time of eligibility redetermination:

- **Income.** See §7.9 (Income Verification).

- **Residence.** See §7.3 (Verification – Initial Application).

- **Employment and Education/Training Status** including employment and/or class schedule. The schedule must show the days and times worked or the days and times that classes meet. If employment and/or class schedule is not provided, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the family’s employment and education schedule is not required if the Employment Services worker has indicated the days, and the hours that child care is needed.

- **School schedule for every child who needs child care and attends school,** such as a school calendar with start and end times. Verification does not need to include the child’s name. Worker obtained verification of the school schedule is acceptable. If there is not verification of school schedule for every child who needs child care and attends school, the case should be suspended. For MFIP/DWP families with an approved Employment Plan, verification of the child’s school schedule is not required if the Employment Services worker has taken the child’s school schedule into account and indicated the days and hours that child care is needed.

- **Changes in Family Status and Family Size.**

- **Continued Cooperation with Child Support Enforcement and Assignment.**

- **Inconsistent information,** if related to eligibility.

- **Any factor required to be verified at initial child care application that has changed since the last eligibility determination.** See §7.3 (Verification – Initial Application).

**LEGAL AUTHORITY:**

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025
When a family has been receiving child care assistance and a change makes them ineligible, AND you believe the ineligibility to be temporary and do not know when the temporary ineligibility will end, reserve the family’s position in CCAP. Such situations include:

- Participants who quit or have been laid off from employment, and have not yet found new employment. Temporary ineligibility status for this reason cannot exceed 90 days.

- Students during breaks between sessions who do not have documentation verifying continued school registration. Temporary ineligibility status for this reason cannot exceed 1 academic quarter or semester as determined by the educational institution.

- Families whose increased income from active military service makes them ineligible. Continue temporary ineligibility status until the person is deactivated from military service.

In addition, your county may reserve a family’s position in CCAP if the family:

- Reaches the top of the Basic Sliding Fee (BSF) waiting list.
  AND
- Is temporarily ineligible.

Check your county’s child care fund plan to determine whether your county has chosen this option. Follow the time periods established above for those families you reserve a position for, if the county has chosen this option.

The county must reserve a military family’s position on the BSF waiting list if the family is approved to receive CCAP and reaches the top of the waiting list but is temporarily ineligible for assistance.

**LEGAL AUTHORITY:**
Minnesota Statutes 119B.09 subd. 4a
Minnesota Rules 3400.0040 Subp. 17
Minnesota Rules 3400.0060 Subp. 6
For the definition of suspended, see §2 (Glossary).

Suspend a case for a period of time up to 1 year when ALL of the following conditions exist:

- There is a temporary break during which child care is not needed.
- The family remains eligible for child care assistance.

Some suspension examples include:

- School age children not needing care during the school year.
- Cost of care is less than the family’s copayment for a temporary period of time.
- A student is on break between quarters or semesters including summer breaks, but is registered for the next quarter or semester. See section 9.12 for more information about suspending care for students on break.
- A participant is temporarily laid off from his/her job, but provides documentation that he/she is still considered an employee.
- The family has not identified a provider.
- A family whose only child receiving child care assistance has been placed in foster care and is expected to return to the home within 1 year.
- The family meets all eligibility requirements but has not provided employment and/or class schedules for each adult family member. Proof of employment and/or class schedules is not a condition of eligibility, but is needed to authorize child care appropriately.
- The family meets all eligibility requirements but there is no verification of school schedule for every child who needs child care and attends school. Proof of school schedule is not a condition of eligibility, but is needed to authorize child care appropriately. Families with an approved MFIP/DWP Employment Plan are not required to verify the child’s school schedule if the Employment Services worker has taken the child’s school schedule into account and indicated the days and the hours that child care is needed.
LEGAL AUTHORITY:
Minnesota Rules 3400.0040
MOVING BETWEEN COUNTIES

MOVING FROM YOUR COUNTY

A family that moves from your county to a new county must notify you within 10 days after the move. Your county remains responsible for child care funding for the Unitary Residency period of 2 full calendar months after the move. If the family moves on or after the 1st day of the month, the 2 full calendar month period begins the 1st of the following month.

If after an initial reported move, the family moves again to a new county during the 2-month unitary residency period, the first county is also responsible for the 2nd 2-month unitary residency period. See the MEC² user manual for further information.

If the family is on MFIP or DWP, your county remains financially responsible while still responsible for the employment services plan. Your county and the new county may transfer the responsibility earlier, if you are both in agreement.

See Inter Agency Case Transfer Form (DHS-3195) for a sample status transfer form. For transferring county information, see MEC² User Manual, Physical Transfer of a CCAP File in the Case Transfer procedures section.

MOVING TO YOUR COUNTY

When a MFIP or DWP family moves to another county and the new county accepts responsibility for the family’s approved job search support or employment plan, the new county is also responsible for providing child care assistance on the date that the county accepted responsibility for the plan.

If the family was in the Basic Sliding Fee (BSF) program in the previous county, the family must let your county know of the move within 60 days of the move in order to receive Portability Pool funding. See § 4.3.12.15(BSF Portability Pool)

Re-determine the family’s eligibility. The family must continue to meet all eligibility guidelines to remain eligible. As long as the family contacts the new county prior to their case closing, apply the 67% State Median income (SMI) income exit criteria. If the family does not contact the new county prior to their case closing, the new county must treat the family as a new applicant.

Your county must accept administrative responsibility for applicants for BSF portability pool funding at the end of the two months of assistance under the Unitary Residency Act.
Continue basic sliding fee (BSF) assistance for the lesser of six months, or until the family is able to receive assistance under the county’s regular BSF program and notify DHS through the quarterly reporting process of any family that meets the criteria of the BSF Portability Pool. See §4.3.12.15 (BSF Portability Pool).

If the family was not receiving child care assistance but was on the BSF waiting list in the previous county, they are not eligible for Portability Pool funding. Treat the family as a new applicant in your county.

When a Transition Year (TY) family moves to a new county their transition year continues for the remainder of their 12-month period.

**EXCLUDED TIME FACILITIES**

The financially responsible county for a person who lives in an excluded time facility or receives excluded time services, is the county in which he/she lived, in non-excluded time status, immediately before entering an excluded time facility. For example, a person lives in County A, directly enters a facility in County B, then transfers to a facility in County C. County A remains financially responsible. For the definition of EXCLUDED TIME FACILITY, see §2 (Glossary).

If a person enters an excluded time facility or begins to receive excluded time services during the 2-months of Unitary Residency, do not transfer responsibility until the person is in non-excluded time status for 2 full calendar months. Transfer responsibility on the 1st of the month after the 2nd full calendar month the person is in non-excluded time status.

If a person leaves an excluded time facility and remains in the facility's county, delay transfer of responsibility until the person lives in non-excluded time status for 2 full calendar months.

If a person who is not a Minnesota resident, moves to Minnesota and directly enters an excluded time facility, the county of financial responsibility is the county where he/she signed the Minnesota Child Care Assistance Program Application (DHS-3550-ENG) if:

- They have lived only in excluded time facilities in Minnesota.
  AND
- They left an excluded time facility to live in Minnesota.
LEGAL AUTHORITY:

Minnesota Statute 119B.03
Minnesota Statute 119B.07
Minnesota Rule 3400.0020
Minnesota Rule 3400.0040
Minnesota Rule 3400.0060
Minnesota Rule 3400.0080
The amount of child care authorized must reflect the needs of the family and minimize out of pocket child care costs to the family.

To determine the amount of care to authorize you need to know:

1. How much care is needed to support parent activity.

2. Age and school schedule of the child.

3. Availability of the child care provider

Include information in the case file or case notes describing how care is authorized.

Do NOT authorize more than the 120 hour maximum in a bi-weekly period unless the child is switching to a new provider during the 2 week period. Do NOT pay for more than 120 hours of child care assistance per child every 2 weeks.

Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are NOT eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. They are eligible to receive child care assistance subsidies for their children when they are engaged in other authorized activities, as long as the hours do not overlap with the hours they provide or are being paid for providing child care services. This includes the full 10 hours paid in a daily block when the child is in care for more than 5 hours. This does not apply to child care centers and their employees.

There are different rules for how to authorize child care depending on the family’s activities:

- For clients with approved Employment Plans see §16.1 (CCAP Authorizations for Clients With an EP)
- For students see §9.12 (Authorized Hours – Students)
- For employed clients see §9.15 (Authorized Hours – Employment)
- For self-employed clients see §9.15.1 (Authorized Hours – Self-Employment)
- For clients who are job searching see §9.18 (Authorized Hours – Job Search)
- For clients who are participating in a combination of activities see §9.21 (Authorized Hours – Combinations of Activities)
When Authorizing Care:
In many cases, care is needed for partial hour increments during a day or session. If the amount of care needed is in increments of less than a full hour, the care should be rounded up to obtain a daily total of hours to be authorized.

For example, if care is needed for 5.5 hours per day, 5 days per week, the number of hours authorized per day should be rounded up to 6 hours. 6 hours of care per day times 5 days per week is 30 hours of care per week. 60 hours of care biweekly should be authorized.

When Authorizing Care for School Age Children:
1. If the amount of care and/or transportation needed is in increments of less than a full hour, care and transportation should be rounded up during each separate session and added together to obtain a daily total of hours to be authorized.

2. 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 will be difficult for families to find providers that are willing to care for their children.

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

<table>
<thead>
<tr>
<th>AM</th>
<th>PM</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5 hours = 2 hours</td>
<td>1.5 hours = 2 hours</td>
<td>4 hours = 40 hours/biweekly Rather than 30 hours biweekly.</td>
</tr>
<tr>
<td>15 minutes = 1 hour</td>
<td>1.5 hours = 2 hours</td>
<td>3 hours = 30 hours/biweekly Rather than 20 hours/biweekly</td>
</tr>
</tbody>
</table>

School Release Days: Child care may be authorized for families who only need child care on school release days and for families who need more care on school release days. Do NOT authorize or pay for more than 120 hours of child care assistance per child every 2 weeks.

Each county is encouraged to develop standards for how care should be authorized for school release days.

Describe how child care is authorized in case notes.
There are 3 acceptable methods to authorize child care for school release days

- 1. Authorize the actual number of hours care is needed, increasing or decreasing the hours authorized based on school release days. **Case note the method used.** OR
- 2. Authorize the number of hours care is needed when there are not school release days. If care is not needed when there are not school release days, authorize 1 hour of care. Authorizing 1 hour of care results in the provider receiving billing forms. When the provider provides additional care for a school release day, payment can be made by increasing the number of hours listed in the “total hours of care authorized” field on the billing window or creating a new Service Authorization with additional hours. There must be communication between families, providers, case workers and billing workers regarding when additional care can be paid. **Case note the method used.** OR
- 3. Authorize the highest number of hours care is needed with the provider. The provider is expected to bill only for the time that care is needed. There must be communication between families, providers, case workers and billing workers regarding when care with the provider can be paid for. **Case note the method used.**

Counties may develop standards for use of more than one of the above methods. For example a county may determine that for all children who ONLY need care on school release days, 1 hour of care will be authorized, but for children who regularly need care and need additional care, the highest number of hours of care needed will be authorized. Or, a county may determine that for school based providers the highest number of hours care is needed will be authorized, but for all other providers the minimum number of hours care is needed will be authorized and the authorized hours will only be increased for the weeks when there is a school release day.

**Flexible Schedules:** Child care may be authorized for families who have flexible schedules. Do NOT authorize or pay for more than 120 hours of child care assistance per child every 2 weeks.

**Describe how child care is authorized in case notes.**

When authorizing child care for families with flexible schedules, it is important that there be communication between families, providers, case workers and billing workers. Depending on the method used to authorize child care, providers may be able to be paid for more or less child care than has been authorized in the service authorization.
There are 3 acceptable methods to authorize child care for families with flexible schedules:

- 1. Authorize the typical number of hours needed. When the family’s schedule requires additional care, the provider bills for the additional care. Payment can be made by increasing the number of hours allowed for payments. This method is recommended for families with a set schedule that occasionally requires them to work additional hours. **Case note the method used.**

- 2. Authorize the minimum number of hours care is needed. When the family’s schedule requires additional care, the provider bills for the additional care. Payment can be made by increasing the number of hours listed in the “total hours of care authorized” field on the billing window or by creating a new Service Authorization with additional hours. This method may be used for families whose schedules require them to work a varying number of hours each week. Providers must be informed that they may bill for additional hours when the family works additional hours. Counties should develop communication strategies to ensure that appropriate payments are made when additional hours are billed. **Case note the method used.**

- 3. Authorize the highest number of hours care is needed with the provider. The provider is expected to bill only for the time that care is needed. This method may be used for families whose schedules require them to work a varying number of hours each week. Providers must be informed that they should bill for fewer hours when the family works fewer hours. Counties should develop strategies to ensure that appropriate payments are made. Case workers are encouraged to periodically review provider billing to reduce the likelihood of overpayments in these situations. **Case note the method used.**

**Multiple Providers:** Child care may be authorized for more than 1 provider per child. Families may choose to have more than one provider on a regular basis or choose to have a back-up provider who is used only when the primary provider(s) is unavailable.

When authorizing care for multiple providers, workers should be aware of how full-day and weekly payment policies interact with the 120 hour payment limitation. A full-day payment counts as 10 hours. A weekly payment counts as 50 hours, see chapter § 9.23.6 for more information. Do NOT pay more than 1 provider for the same time period.
To authorize care for multiple providers:

- If the number of hours of care needed with a provider is known, authorize the number of hours care is needed with the provider. Do NOT authorize or pay for more than a total of 120 hours of child care assistance per child every 2 weeks.

- If the number of hours of care needed with a provider is not known, authorize the minimum or typical number of hours care is needed with the provider. When the family’s schedule requires additional care, the provider bills for the additional care. The case or billing worker can increase the authorized hours for the biweekly period when more of the care can be paid. Do NOT authorize or pay for more than a total of 120 hours of child care assistance per child every 2 weeks.

- **In order to authorize care for a back-up provider:**
  Authorize the minimum number of hours care is needed with the provider. If the minimum number of hours care is needed is 0 hours, authorize 1 hour of care with the back-up provider. Authorizing 1 hour of care results in the back-up provider receiving billing forms. When the back-up provider provides care, payment can be made by increasing the number of hours allowed for payment. There must be communication between families, providers, case workers and billing workers regarding when care with the back-up provider can be paid. If a family specifically designates a provider as a back-up provider, document this information in Case Notes.

**Switching Providers:**
When a child switches to a new provider, the worker must give the original provider a 15 day notice of adverse action to end the service authorization:

- If the end of the 15 day notice of adverse action falls in the middle of a biweekly period, the worker may authorize more than a total of 120 hours to allow for care with the original provider for the first part of the biweekly period and care with the new provider for the last part of the biweekly period. Do not pay for more than a total of 120 hours of child care assistance per child during the 2 week time period.

- If the original provider informs the county that they will not bill for the full 15 day notice of adverse action period, the county may authorize care with the new provider during that time period. The worker may authorize more than a total of 120 hours to allow for care to begin with the new provider. The county should inform the new provider that they will not be paid for the time period if the original provider bills for the time period since 2 providers cannot be paid for the same time period. Do not pay
for more than a total of 120 hours of child care assistance per child during the 2 week time period.

**Medical Leave:** In some cases child care can continue to be authorized and paid while a client is on a medical leave of absence from employment or education. See §9.36 (Care during Medical Leaves of Absence) to determine whether a client is eligible for continued child care assistance while on medical leave.

**Unable to Care:** In a two parent family child care may sometimes be authorized and paid if one parent is not in an authorized activity AND that parent is unable to care for the applicant’s child. See §4.6 (Employment and Training Requirement) for specific requirements.

**LEGAL AUTHORITY:**
Minnesota Statutes 119B.13 and 119B.09
Minnesota Rules 3400.0110
Make payments to providers, unless the provider cares for children in the children’s own home. Payment must be made directly to the family when care is provided in the child’s home. This applies whether the provider is licensed or legal nonlicensed. See §9.6 (Payments to Families).

Make payments in a way that allows the family to choose legal child care providers that best meet the needs of the family.

You must:

- Make payments at least monthly.

- Make payment no later than 30 days after receipt of the bill when the provider submits a bill for services within 10 days after the last date of service.

- Send providers the forms necessary to bill for payment on or before the beginning of the billing cycle.

- Provide notice to both the family and provider of the payment amount, and how and when the payment will be made.

Pay the provider (or parent, if the care in the home is approved) after the provider is authorized by the county, retroactive to the later of the date that:

- Child care was authorized to begin. OR

- The family signed the application, see §4.12 (Date of Eligibility). OR

- The family began using a licensed provider OR the family began using a legal nonlicensed provider and the provider submitted a certificate of completion of First Aid/CPR training in addition to other requirements. See §11.9

Send Providers the forms necessary to bill for payment on or before the beginning of the billing cycle if the county has received the information necessary to authorize child care before this date.

If a provider has received an authorization of care and been issued a billing form for an eligible family the billing form must be submitted within 60 days of the last date of service on the bill. You may pay a bill submitted more than 60 days from the last date of service (but less than 1 year) if the provider shows good cause for the delay. Good cause is defined in
your Child Care Fund Plan, and it must include county error.

If a provider provided care for a time period without receiving an authorization of care and a billing form for an eligible family, payment of the child care assistance may only be made retroactively for a maximum of six months from the date the provider is issued an authorization of care and billing form.

Do **NOT** pay a bill submitted more than a year after the last date of service on the bill.

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

Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are **NOT** eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. They are eligible to receive child care assistance subsidies for their children when they are engaged in other authorized activities, as long as the hours do not overlap with the hours they provide or are being paid for providing child care services. This does not apply to child care centers and their employees.

You may stop payment issued to a provider or refuse to pay a bill submitted by the provider if:

- The provider admits to intentionally giving materially false information on the billing forms.
  
  **OR**
  
- Your agency finds by a preponderance of evidence that the provider intentionally gave materially false information on the billing forms.

Receipt of federal, state or local funds by a child care provider either directly or through a child care assistance recipient does **NOT** establish an employee-employer relationship between the provider and the county or state.

**PROVISIONAL PAYMENTS**

After a county receives a completed application from a legal nonlicensed (LNL) provider, the county may choose to issue provisional authorization and payments to the provider during the time needed to determine whether to give a final authorization to the provider. See §2 (Glossary) for the definition of provisional authorization and provisional payments. Check your county’s Child Care Fund Plan to see if your county has chosen this option.
If a provisionally authorized LNL provider does not receive final authorization by the county:

- Send notice to terminate provisional authorization and payment to the provider.
- Send a notice of adverse action to notify the family using the ineligible provider that they must choose a new provider to continue to receive child care assistance.

A provider’s failure to receive final authorization does not cause payments made during the provisional authorization to be overpayments.

**LEGAL AUTHORITY:**
Minnesota Statutes 119B.09
Minnesota Statutes 119B.13
Minnesota Rules 3400.0110
Minnesota Rules 3400.0185
Minnesota Statutes 119.125
Minnesota Rules 3400.0110
Minnesota Rules 3400.0120
Minnesota Rules 3400.0140
This page left intentionally blank
The payment amount is the provider’s rate, not to exceed the county maximum rate, minus the family copayment. See §9.24.3 (Provider Rates), §9.27 (Rate Differential for Accreditation), and §6.21 (Family Copayment).

Base the maximum payment rate 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.

The payment amount is determined by the:

- applicable maximum rate,
- provider’s charge,
- number of child care hours authorized,
- hours the child is scheduled to be in care.

When the provider charge is greater than the maximum payment amount allowed, the parent is responsible for payment of the difference in the rates in addition to any family co-payment fee.

**LEGAL NONLICENSED PROVIDERS (LNL)**

Legal nonlicensed child care providers can only be paid on an hourly basis. The maximum payment to a legal non-licensed provider for one week of care must not exceed 50 hours. The maximum payment to a legal non-licensed provider for one day of care must not exceed 10 hours.

**LICENSED PROVIDER AND LICENSE EXEMPT CENTERS**

For children attending licensed family child care providers, licensed centers, and license-exempt centers, if the child is authorized for:

- More than 35 hours per week with a single provider, CCAP cannot pay more than the maximum weekly rate.
- More than 5 hours per day with a single provider, but not more than 35 hours per week, CCAP cannot pay more than the maximum daily rate, not to exceed the maximum weekly rate.
- Five hours or less per day with a single provider, but not more than 35 hours per week, CCAP cannot pay more than the maximum hourly rate for each hour of care, not to exceed the maximum daily and/or the maximum weekly rate.
During the school year for school age children. Before and after school age care providers sometimes use “session rates”. In these cases, the hours of care authorized will determine if an hourly, daily or weekly rate may be paid. Payment will be the lesser of the county maximum rate or the provider charge. See § 9.30 for further information on authorizing care for school age children.

MAXIMUM AUTHORIZATION AND PAYMENT
Do NOT authorize or pay for more than 120 hours of child care assistance per child every biweekly period.

Count all hourly rates paid to legal non-licensed providers towards the 120 hours.

To convert child care paid on a full-day or weekly basis to licensed providers into hours to determine if payment exceeds 120 hours of child care assistance:
- Payment at the daily maximum rate is equal to 10 hours of care
- Payment at the weekly maximum rate is equal to 50 hours of care

<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>

PAYMENT DEDUCTIONS
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.

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. See§9.54(Special Needs)
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, the parent, and the county. The parent must continue to comply with the payment agreement. See § 9.24.3 (Copayment schedule)

CHILD CARE EXPENSES PAID BY OTHER SOURCES
If the family receives partial or full reimbursement for child care expenses from sources other than child care assistance funds, reduce the amount of the child care assistance by the amount or reimbursement earmarked for the same child care expenses.

When the 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.

When funds from other sources are paid directly to the family’s child care provider on behalf of the family, eligibility is not affected and the funds are excluded from the family’s income. Child Care providers who accept third-party payments must maintain family specific documentation of payment source, amount, types of expenses, and time period covered by the payments. CCAP should not be billed for costs covered by third party sources. The provider is responsible for ensuring proper billing. Providers may use form DHS-5318-ENG to record third party payments.

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 nonlicensed providers. See §9.24.3 (Rate Differential for Accreditation)

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 affect 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.

LEGAL AUTHORITY:
Minnesota Statutes 119B.13 and 119B.231
Minnesota Rules 3400.0130
Do not authorize more than 120 hours per child every 2 weeks.

Authorize only the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution. Require the student to provide documentation from the school on the credit requirements for the approved program.

A student must be in good standing and making satisfactory progress toward completion of the program. Require the student to provide documentation from the school.

**Full Time***
Enrollment in a minimum of 12 credits, or credits equivalent to full-time students.
OR
Participation in 20 hours of classroom training per week.

**Part Time***
MFIP student who is less than a full-time student but is in compliance with the education or training requirements of the EP.
OR
A non MFIP student who is less than a full-time student but is in compliance with the education or training requirements of the county’s education plan.

**Child Care Assistance Allowed:**
1. On a full-day basis for the days of class and on non-class days, if needed for study, as determined by your agency. *
OR
2. Child care on a weekly basis.
OR
3. Child care calculated according to standards identified for part-time students.

**Child Care Assistance Allowed:**
1. All hours of actual class time and credit hours for independent study and internships.
AND
2. Up to 2 hours per day for travel time.
AND
3. Two hours per week per credit hour for post-secondary students for study and academic appointments. **

* Do not allow less than the standard calculated for part-time students and do not exceed 120 hours per child per bi-weekly.

** When a part-time student has more than 1 hour between classes on any 1-day, reduce the authorized study time by the number of hours between classes.

***Because schools have differing definitions of full-time and part-time students, rely on the terminology of the specific school for the determination. If you have questions about a student’s status, contact the school or ask the student to do so for more information.
OTHER CIRCUMSTANCES WHEN DETERMINING AUTHORIZED CARE:

- Students in basic or remedial education needed to prepare for post-secondary education or employment. Authorize child care assistance for remedial classes as needed for the student to attend class and complete class assignments.

- MFIP or DWP students whose Employment Plan (EP) specifies a different time frame.

- Basic Sliding Fee (BSF) students who’s Education Plan has been approved by the county.

- Authorize child care assistance for a student with a baccalaureate degree for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.

- Students on school breaks who are expected to return to school at the end of the break remain eligible during the break:
  1. If the break is expected to last 15 calendar days or less, care should continue to be authorized during the break period.
  2. If education is the family’s only authorized activity, and the break is expected to last more than 15 calendar days, the case should be suspended for the break period. A 15 day notice of adverse should be sent to the client and provider in advance of the scheduled break. The case should be suspended the day the break begins.
  3. If education is not the family’s only authorized activity, and the break is expected to last more than 15 calendar days, the number of hours authorized should be reduced to reflect the authorized hours needed for the family’s other authorized activities during the break period. A 15 day notice of adverse action should be sent to the client and provider in advance of the scheduled break. The reduction in authorized hours should be effective the day the break begins.

LEGAL AUTHORITY:
Minnesota Statutes 119B.07
Minnesota Rules 3400.0040
Authorize no more than 120 hours per child every bi-weekly period.

If a MFIP/DWP family has an approved Employment Plan with an employment activity, authorize the number of hours needed for the employment activity or for support of the employment activity, as indicated by the Employment Services worker.

**EMPLOYMENT**

Participants who do NOT have an approved MFIP/DWP Employment Plan must work at least an average of 20 hours per week and receive at least the applicable minimum wage to receive child care during employment hours. When a participant has multiple employment activities, the hours worked at the different employment activities may be combined to meet the 20 hours per week at the applicable minimum wage requirement. See §6.16 (Applicable Minimum Wage).

Work with the participant to determine a length of time, not to exceed 6 months, over which the number of hours worked weekly can be averaged to determine if the participant meets the requirement to work an average of 20 hours per week at the applicable minimum wage.

When the participant works for an hourly wage, child care should be authorized for the number of hours scheduled to be worked, including break and meal time during the employment, and up to two hours per day for travel time.

When the participant does not work for an hourly wage, authorize child care for the LESSER of:

- The number of hours spent in the employment activity, plus meal/break time and up to two hours per day for travel time,
- The number of hours determined by dividing the annual gross earned income from the employment activity by 52 weeks and then by the applicable minimum wage, plus up to one hour per eight hours worked for meals/breaks, and up to two hours per day for travel time.

**STUDENTS AND EMPLOYMENT**

Students are not required to work.

- If a full-time student that does NOT have an approved MFIP/DWP Employment Plan chooses to work and requests child care assistance during their employment time, they are required to work an average 10 hours per week at the applicable minimum wage.
- If a part-time student that does NOT have an approved MFIP/DWP Employment Plan...
Plan chooses to work and requests child care assistance during their employment time, they are required to work an average 20 hours per week at the applicable minimum wage.

**CHILD CARE IN SUPPORT OF EMPLOYMENT**

For participants that do NOT have an approved MFIP/DWP Employment Plan, authorize child care assistance in support of employment for non-work hours if necessary if the following conditions are met:

- The child care in support of employment or in combination with the employment activity does not exceed the amount of child care that would normally be granted for child care during employment.
- The family meets all eligibility requirements.
- The employed person cannot reasonably modify the non-work schedule to provide child care.

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.10
Minnesota Rules 3400.0040
NOTE: You must calculate the annual CCAP gross earned income from self-employment income BEFORE you determine the number of hours to authorize. See §6.15.6 (Annualizing Self-Employment).

To determine whether care can be authorized for the self-employment activity:

- Divide the gross earned income from the self-employment activity by 52 weeks.
- Then divide that number by the applicable minimum wage to determine if the individual is self-employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student). See §6.16 (Applicable Minimum Wage).

The federal minimum wage applies unless the applicant or participant can supply information to show that they are not subject to this standard. If a self-employed person believes that they should not be subject to the federal minimum wage as the applicable standard, the county should work with the applicant or client to obtain verification of the correct applicable standard. Identify the correct applicable amount. If verification is not available, accept a signed statement from the person that states why they are not subject to the federal minimum wage and that identifies the state minimum wage that the person is subject to.

If the participant is not self-employed for a least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student), they are not eligible for child care during self-employment hours.

If the participant is self-employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student), authorize child care for the LESSER OF:

- The number of hours determined by dividing the annual CCAP gross earned income from the self-employment activity by 52 weeks and then by the applicable minimum wage, plus up to 1 hour per 8 hour for meals and up to 2 hours per day for travel time
- The number of hours spent in the self-employment activity, plus meal/break time and up to two hours per day for travel time.

If, in addition to the self-employment activity, the participant also has an employment activity that is not self-employment:

- Determine the number of hours spent in the employment activity that is not self-employment.
- Determine the number of hours spent in the self-employment activity by dividing the
annual CCAP gross earned income from the self-employment activity by 52 weeks and then by the applicable minimum wage.

- Add the hours for the employment activity that is not self-employment and the hours for the self-employment activity to determine if the participant is employed for at least an average of 20 hours per week at the applicable minimum wage (10 hours if a full time student).
  1. If the participant is not employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), they are not eligible for child care during their employment activities.
  
  2. If the participant is employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), add the hours for the employment activity that is not self-employment and the hours for the self-employment activity to determine the number of hours to authorize.

If the participant has at least one self-employment activity with a negative gross income:

- Determine the annual CCAP gross earned income from each self-employment activity separately.
- Divide the annual CCAP gross earned income for each self-employment activity by 52 weeks and then by the applicable minimum wage to determine the number of hours the participant is employed in that self-employment activity. The number of hours associated with the self-employment activity with the negative gross income is 0.
- Add the number of hours from each employment that is not self-employment and each self-employment activity together to determine if the participant is employed for at least 20 hours per week at the applicable minimum wage (10 hours if a full time student)
  1. If the participant is not employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), they are not eligible for child care during their employment activities.
  
  2. If the participant is employed for at least an average of 20 hours per week at applicable minimum wage (10 hours if a full time student), use the total number of hours from each employment activity (including self-employment) to determine the number of hours to authorize.

**LEGAL AUTHORITY:** Minnesota rules 3400.0040
Authorize assistance with child care costs for participants who are participating in job search or related activities up to a maximum of 240 hours per calendar year, not to exceed 120 hours per child every 2 weeks. At the option of the individual in job search and with prior approval from your agency, you may authorize child care assistance less than full time.

EXCEPTION: Exempt MFIP or DWP participants with an approved Employment Plan (EP) which includes job search from the 240 hours per calendar year maximum.

You may authorize employed MFIP or DWP participants without an approved EP for up to 240 hours per calendar year of child care assistance for job search activities in addition to child care assistance that you may authorize for work.

Job search activities include locating, contacting, preparing for interviews and interviewing with potential employers, and travel time associated with these activities.

Job search hours should be counted using only the hours of child care authorized for the job search activity (including travel time, if needed). For example, if the parent is authorized for six hours per day of child care for the job search activity and the provider charges a daily rate, count only six hours of job search toward the 240 hours allowed per year.

If the amount of child care authorized is being reduced due to a decrease in the number of hours the parent is job searching, a 15 day notice is required. During the notice period, count only the hours the parent is job searching toward the 240 hours allowed per year. For example, if 50 hours of care was previously authorized and care is being decreased to 20 hours, pay the 50 hours of care through the required notice period. Count the 20 hours used for job search toward the 240 hours allowed per year.

Counties must identify how child care assistance for job search outside an approved EP is authorized in their County Child Care Plan. Counties identify whether they verify the actual numbers of hours spent on job search. In addition, counties must identify whether they authorize:

The number of hours of job search requested by the participant,

OR

The standard number of hours, which is determined by the county.

LEGAL AUTHORITY:
Minnesota Statutes 119B.10 Subd.1
Minnesota Rules 3400.0040 Subp.15a
Re-determine eligibility for families who are eligible for ongoing assistance at least every 6 months. The time between initial eligibility and the date an agency must review the case, or the time between required reviews, is the redetermination period.

Re-determine eligibility more frequently than once every 6 months when the family’s eligibility is in the start-up phase of self-employment without an approved Employment Plan and existing documentation is insufficient to accurately predict the self-employment income.

For a family that has a minor parent under the age of twenty-one, who does not have a high school or general equivalency diploma (GED), and is a student in a school district, or another similar program that provides or arranges child care; as well as parenting, social services, career and employment supports and academic support to achieve high school graduation. The redetermination date shall be deferred beyond six months, but not to exceed twelve months, to the end of the student’s school year. The county worker should choose an appropriate date for the redetermination and enter the date into MEC^2. Income must be recalculated when the family’s income changes. See §10.3.3 (When to Adjust the Length of Redetermination).

If a family reports a change that affects their eligibility before the family’s next regularly scheduled redetermination, the county must recalculate eligibility without requiring verification of any eligibility factor that did not change. These changes include income, residence, employment status, education or training status, family status, or family size. See §8 (Changes in Circumstances).

LEGAL AUTHORITY:
Minnesota Statutes 119B.09
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040
This page left intentionally blank.