Department of Health and Human Services

Division of Welfare and Supportive Services

Child Care Policy Manual

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100 CHILD CARE PROGRAM OVERVIEW

101 Introduction

Effective October 1, 1996, Congress enacted the Child Care Development Fund (CCDF), which consolidated the funding for child care for low-income working families and families reentering the workforce.

CCDF requires Nevada to provide child care assistance for the following categories:

- New Employees of Nevada (NEON)
- At-Risk
- Discretionary

The Child Care Subsidy Program may pay up to 100% of the state maximum rate for child care costs. Payments may be made to a provider of the parent's choice, when the provider is registered with the Child Care Subsidy Program. Refer to manual section 600, Provider Information for additional details.

Child Care funds **cannot** be used for the following purposes:

- Children enrolled in grades 1 through 12 for any service provided to these children during the regular school day; **or**
- Any service for which such children receive academic credit toward graduation; **or**
- Any instructional services that supplant or duplicate the academic program of any public or private school.

102 General Provisions

Within the Child Care Subsidy Program, there are three (3) types of subsidies.

- Certificate – Provides a Certificate to eligible households which details the level of benefits, the child's approved schedule for child care services, and the effective dates. Reimbursements are based upon the authorized schedule and actual attendance of the eligible child. The Certificate Program **cannot** be used in conjunction with the Contracted Slot Program.

- Contracted Slots – There are Delegate Agencies which have a certain number of slots available for low income families. These providers are mainly before and after school programs such as Boys & Girls Clubs. Reimbursement for the month of service is authorized when an eligible child attends at least one (1) day of service during the service month; however the reimbursement is based upon a maximum of five (5) days per week at the full-time rate. The Contracted Slots Program **cannot** be used in conjunction with the Certificate Program.

- Wraparound Services – There are various Head Start agencies who provide services to eligible children who require child care services before or after the Head Start program. Reimbursement for services is based upon a maximum of five (5) days per week. Wraparound Services can be used in conjunction with either the Certificate Program or the Contracted Slots Program but not with both programs at the same time.

103 Availability of Child Care Subsidy Benefits/Waiting List

No person will be discriminated against for any reason such as race, age, color, religion, sex, disability (including AIDS and AIDS related conditions), handicap, political belief or national origin in any program funded by DWSS.

In the event of identified program funding shortfalls, otherwise eligible households will be prioritized by program in the following order:

1. NEON
2. Special Need At-Risk
3. At-Risk
4. Special Need Discretionary
5. Discretionary

103.1 Waiting List

If sufficient funds are not available in the At-Risk or Discretionary funding categories, the Division of Welfare and Supportive Services (DWSS) Child Care & Development Chief may implement a waiting list.

> **NOTE:** Applicants who are eligible for NEON funded benefits must not be placed on a waiting list or have services delayed.

To be placed on the waiting list, the parent/caretaker must complete an Application for Child Care Subsidy, Form 2151-WC, and be prescreened for eligibility. For purposes of placement on the waiting list, the case manager must use applicant self-declaration and will not pursue independent verification of information.
Households placed on the waiting list must be categorized by potential funding category and subsidy level. Families within a common funding

category and subsidy level must be served based upon the date of application. The oldest application must always be served first and prioritized using the order listed above.

Once funding is available, households, according to the prioritization listed above, must be contacted to submit a new application and required verifications. Until funding is available, additional information/updates are not required.

When a currently eligible household loses subsidy eligibility due to a loss of purpose of care (loss of job, school ends, etc.) new eligibility can be determined without consideration of wait list placement if the household, with 45 calendar days, submits a new application with a demonstrated current purpose of care. Ensure all cases are evaluated for prior 45 days eligibility and as appropriate exempt these cases from wait list placement.

104 Duplicate Benefits

A child may participate in only one household at a time. If a child is receiving subsidy benefits with another household, benefits must not be approved for the child until he/she is removed from the other household's certificate. Refer to manual section 217 regarding evaluation of households who share joint custody of a child.

105 Selection of a Child Care Provider

It is the parent's/caretaker's responsibility to select a child care provider. Child Care Program staff may assist in providing the parent/caretaker with information about local child care providers; however, they must **not** recommend or endorse any program or service. Families are encouraged to visit and interview several programs prior to making a final decision.

The child care provider(s) chosen by a subsidized parent/caretaker must comply with all licensing standards and regulations and are subject to maintaining minimal health and safety standards. When a parent/ caretaker chooses a child care provider who is exempt from licensing, the provider must be registered with the Child Care Program, who may inspect the provider's compliance with minimal health and safety standards.

105.1 NEON Clients Unable to Find Suitable Child Care

If a single custodial parent of a child under six (6) years of age cannot find suitable child care based on the definitions found below, DWSS staff and/or DWSS NEON contract staff may make an exception to the work requirements. The parent must provide proof to substantiate the claim of unsuitable child care. The Child Care case manager must complete Work Requirement Exception, form 2153-WC, and send it along with the

verification provided by the parent to the appropriate NEON staff for a decision.

CHILD CARE DEFINITIONS

Appropriate Child Care - Child care chosen by the parent offering developmentally appropriate practices which meet the needs of the parent and child.

Reasonable Distance - A parent should not have to travel more than sixty (60) minutes to drop off their child at the care provider location and sixty (60) minutes to pickup their child.

Unsuitability of Informal Care - Informal child care is unsuitable if it is not being provided legally, or does not meet basic health and safety standards as outlined in the Child Care State Plan.

> **NOTE**: Legal child care is defined as licensed care, if required by state/county/city law. If **licensing** is not required by law, the provider must be registered with the Child Care Program.

Informal child care is unsuitable if circumstances exist that may cause possible abuse, neglect or harm to children as outlined in city, county and/or state statutes.

Informal child care is unsuitable if the arrangements do not support the working schedule of a parent, are not affordable, are not easily accessible, or do not meet quality standards as defined by the parent.

Affordable Child Care Arrangements - Affordable child care is child care that does not exceed 10 to 15% of the parent's gross income.

106 Referrals

Subsidy benefits may be requested based on a written referral from another agency; however, a completed Application for Child Care Subsidy, Form 2151-WC is required prior to the issuance of benefits and service will be provided based on a written contract with the referring agency and/or the availability of funds. The referral must be kept in the eligibility case file and documented in the computer system.

Possible agencies that may refer clients are (not all inclusive):

- Division of Welfare and Supportive Services (DWSS)
- Washoe County Social Services (WCSS)
- Clark County Social Services (CCSS)
- Employment Security Division (ESD)
- Division of Child and Family Services (DCFS)
- Child Protective Services (CPS)
- Non-profit social service agencies (i.e., Shelter for Homeless)

106.1 DWSS Referrals

NEON Child Care referrals from DWSS or NEON contract staff must be submitted on NEON Child Care Referral, form 2728-WA.

Within one (1) business day of receiving a NEON Child Care Referral the case manager must initiate contact with the client to make arrangements for issuing a Certificate, as long as the referral is complete.

The referral is considered complete when it lists the following:

- The date of issuance; **and**
- Clients current name, address, and Welfare case number; **and**
- The Welfare program and household type (i.e., one parent, two parent, etc.); **and**
- The reason child care services are being requested (NEON Pre-eligibility Work Activities, NEON Work Activities or Temporary Program Activities); **and**
- The start and end dates when services are needed; **and**
- The purpose of care schedule; **and**

  NOTE: If the referral does not include the client's schedule, the case manager must accept the client's statement. If the information is questionable, the case manager must verify the actual schedule and notify the appropriate NEON case manager of the results. If it is found the client misused child care services, the case manager must evaluate the case for an Intentional Program Violation (IPV) in conjunction with the appropriate NEON case manager.
- If applicable, the type of income DWSS has on file for the client and/or other household members; **and**
- The NEON case manager's name and phone number.

  NOTE: The NEON case manager may also include their email address, however it is not required.

If a referral lacks the information necessary to complete a certificate (other than schedule as noted above), child care staff should not take any action on the referral and return the referral to the NEON case manager for completion. In addition, the case manager must provide a written explanation of why the referral is being rejected to the designated DWSS management staff.

Exceptions:

1. If a case manager receives a referral for one adult household member but the referral indicates it's a two parent household, the case manager must contact the DWSS worker to clarify the purpose of care for the second parent/caretaker. However, services must not be delayed for the referred individual while the issue is being resolved; therefore the information indicated on the referral should be used.

2. DWSS may issue a referral for a two-parent household authorizing care; noting only one parent is working when domestic violence may be an issue. The referral may or may not document the type of eligibility. It will be marked with the DWSS case worker's name and phone number, requesting the Child Care case manager call for further information regarding the case. **These clients must receive immediate services.**

In addition, if a referral is received after the issuance date, NEON subsidy benefits can be approved back to the referral issuance date without prior approval from the Child Care& Development Chief. However, if the Child Care Start Date is prior to the referral issuance date, the Child Care case manager must notify the NEON case manager services can only be provided from the referral issuance date forward. If services are required prior to the referral issuance date, DWSS/Contract staff must request approval for this time period through the Child Care and Development Program Chief.

NOTE: If the referral issuance date is greater than fourteen (14) calendar days from the date of the interview with the child care program staff, the child care case manager must contact the NEON worker to ensure the referral information is valid prior to approving the benefits.

Once a completed NEON referral is received, the case manager **must not re-verify the non-financial and income elements of eligibility**. If the client provides additional information which does not match the NEON referral, the child care case manager must refer the client to their NEON worker to report the changes and attempt to contact the NEON worker regarding the conflicting information. However the referral must still be acted on and the certificate issued within the appropriate time frames.

Child Care Program staff will not be held responsible if benefits are provided based upon a referral from DWSS or NEON contract staff and it is discovered that the household does not meet the program eligibility criteria.

107 Applications Causing Conflicts of Interest

Case managers must not process applications that cause a conflict of interest. Conflicts of interest may include employee/employer relationship, dating relationship and/or situations in which the applicant is the case manager's friend, roommate or relative. The manager/supervisor will determine the best method of application processing.

108 Special Consideration Requests

Requests for consideration to waive specific criteria of the Child Care Program policy may be submitted in writing to the DWSS Child Care and Development Chief for review. Documentation, which supports the request, is required (e.g., medical documentation if the client is claiming a permanent disability which prevents them from caring for the children and/or meeting the purpose of care requirement). A written decision will be issued to the applicant/recipient and the contracting agency.

The Child Care Program Chief's decision is final and cannot be appealed.

109 Application Types

Requests for an application for child care subsidy may be made verbally, in writing, in person, or through a representative. Upon request, every person will be mailed or given an Application for Child Care Subsidy, Form 2151-WC. Every person must be provided the opportunity to apply for subsidy benefits. Applicants will be provided assistance in completing the application if such help is requested.

DISTINCTION BETWEEN AN INQUIRY AND AN APPLICATION

An inquiry is when an individual inquires about the program and does not submit a signed application to be evaluated for eligibility. An application not signed by the client or authorized representative is an inquiry only and must be returned for signature. The inquiry must not be entered in the computer system.

An application for subsidy benefits is made when an individual completes and signs the Application for Child Care Subsidy, Form 2151-WC and submits it to the program office either by mail, fax or in person. However, if an application is faxed, the original document must be requested from the applicant and provided prior to the approval of benefits. If the applicant provides the original application within the requested time period, eligibility can begin with the date the faxed application was received. If the applicant fails to provide the original application, the case must be denied for non-cooperation.

By signing the application, the applicant is confirming they have provided accurate and truthful information. If it is discovered the applicant has provided misleading or inaccurate information, the case manager must evaluate the case for an Intentional Program Violation. Refer to manual section 800, Program Violation Penalties, for further information.

All signed applications and associated verification must be kept in the eligibility case file and documented in the computer system.

110 New Applications

A new application is defined as an application filed by the household when subsidy benefits are not currently being received. The application date is the day the office receives Form 2151-WC, which contains the applicant's name, address, and appropriate signature. If a two-parent household is applying and only one of the adults has signed the application, a Request for Information, form 2156-WC, must be given/sent to the household requesting the other parent sign copies of the Application, Parent Service Agreement and Program Penalties forms. The original forms must stay in the case file. If all other eligibility requirements are met, subsidy may begin effective the application date once the requested information is submitted.

Individuals who are applying for a NEON funded subsidy for the first time are required to complete an application.

111 Reapplications

Reapplications for subsidy benefits are made in the same manner as initial applications. Previous records and eligibility factors must be thoroughly reviewed/verified. All information used to verify eligibility factors which are subject to change, may be pulled forward from a previous application if the information is less than thirty (30) calendar days old.

To be eligible for uninterrupted benefits, the client must submit a new application prior to the end of the current certification period. If the client submits an application after the certification period has ended and funding is not available in the category for which they qualify, they may be placed on the waiting list. If a two-parent household is applying and only one of the adults has signed the application, a Request for Information, form 2156-WC, must be given/sent to the household requesting the other parent sign copies of the Application, Parent Service Agreement and Program Penalties forms. Refer to manual section 540 for reapplication processing.

Terminated cases must reapply for benefits by submitting a new application and may be subject to the waiting list.

111.1 Reapplications for NEON Funded Households

NEON funded households may receive additional subsidy benefits without completing a new application as long as they have a current NEON referral and they have not had a lapse in their TANF benefits. Refer to manual section 541 for NEON reapplication processing.

112 Reinstatements

Reinstatements are cases restored for service so there is not a lapse in coverage. A denied application may also be reinstated to a pending status or reinstated for approval.

Reinstatements may be done for the following reasons:

- The case was terminated/denied in error; **or**
- The client requests, and is eligible for, continued benefits during the appeal process.

120 INTERVIEW PROCESS

121 Interview Sites

Eligibility can be determined by either a face-to-face interview with the client/representative, through the mail, or by telephone. If an interview is done through the mail or over the phone, necessary documents must be sent to the client for their signature.

121.1 Interpreter Services

The Division of Welfare and Supportive Services can assist in providing interpretive services for both foreign and sign languages. If it is recognized or if the staff have any reason to believe that a person or companion is deaf or hard of hearing, they must be advised that appropriate auxiliary aids and services, such as sign language and oral interpreters, TTYs, note takers, written materials, assistive listening devices and systems, and telephones compatible with hearing aids, will be provided free of charge. The case manager must ensure that such aids and services are provided when appropriate.

To request an interpreter, the case manager must email the request to Welfare-InterpretiveServices@dwss.nv.gov at least two working days prior to the date of the interview/appointment. The request should include the type of interpretive services needed, the date and time of the interview/appointment, the name of the client, the office the interview/appointment will be held at, the type of interview/appointment to be conducted, estimated length of interview/appointment, name of employee who will be conducting the interview/appointment and the direct telephone number of the employee.

A DWSS unit clerk will contact the appropriate interpreter and confirm the appointment with the case manager. Once the request is received and processed, the case manager will receive a confirmation. If the case manager does not receive a confirmation within one working day, a second request should be sent.

Once the interview has been conducted, the case manager must submit another email verifying the interview has been completed. This notification must include the office location, the case manager's name, the client's name, the interpreter's name, the length of the interview and the programs involved.
If the applicant cancels the appointment, notify the DWSS unit clerk at (775) 684-0615 of the cancellation, as soon as possible.

122 Authorized Representatives

The use of an authorized representative (AR) is allowable when:

- The head of household's participation is limited because of their incapacity, incompetence or when they request someone act on their behalf; **or**

- The child attends a before and/or after school program and a parent/caretaker may be unavailable to sign the child in/out.

There are two (2) types of authorized representatives called primary and secondary representatives.

- A primary representative receives all requests for information along with any attachments plus all notices. They hold the same responsibility as the client in securing information for determining eligibility, reporting responsibilities and they are the only one authorized to sign on behalf of the client. Primary representatives have the same access to case information as the client.

  NOTE: There can only be one active primary representative on the case at any given time.

- A secondary representative is for before/after school providers and they have limited responsibilities which are designated by the client. The secondary representative is not responsible for securing or reporting information, however, if they choose, they may secure and report information to the program office. The secondary representative does not have the same access to case information as the client.

To designate an AR, the client and AR must complete the Designation of Authorized Representative, Form 2163-WC. The form must include the name, address and phone number of the person chosen as the AR and both the client and the AR must sign and date the form before the request can be processed. With each subsequent application, the designation of the AR is required. The original signed document must be kept in the eligibility case file and a copy provided to the client and representative. If the household member is physically or mentally incapable of signing their name, someone other than the AR must witness their mark.

To qualify as an authorized representative, the individual must be:

- 18 years of age or older, **and**
- designated by the client; **and**
- not providing child care services to the household.

EXCEPTION: A before/after school provider can be designated as a secondary representative to sign and date an attendance record.

NOTE: If the individual is a DWSS or Child Care Program employee, they must be related by blood or marriage to the applicant/participant to be the AR. In addition, if the AR is a Child Care Program employee, the AR must declare the relationship to management staff immediately and access to the client's case must be secured (e.g., case file locked up, etc.).

122.1 Abuse by an Authorized Representative

Authorized representatives may be disqualified from representing a household in the program if evidence is obtained that the representative has misrepresented a household's circumstances and/or has knowingly provided false information pertaining to the household. In addition, the client and/or AR may be liable for any overpayment resulting from inaccurate information provided by the AR.

123 Required Forms at Application

The following forms are required to be completed at each application unless the household has received a NEON funded subsidy. The original forms, signed and dated by the client, must be received prior to the authorization of subsidy benefits. Refer to manual sections 541 for additional information regarding NEON funded subsidy reapplications.

123.1 Rights and Responsibilities/Service Agreement

The Service Agreement outlines the rights and responsibilities of the client/representative, the provider and the Child Care Program staff in reference to the Child Care Program.

Applicants/clients and/or authorized representatives must sign and date the Service Agreement prior to subsidy benefits being approved. A new form must be reviewed and signed/dated at each application. The original signed document must be kept in the eligibility case file and a copy provided to the client/representative.

123.2 Program Penalties

The Program Penalties, Form 2165-WC, gives detailed information about changes the household must report during the certification period and the repercussions for failing to report such changes. It also gives information regarding the penalties for making false or misleading statements or concealing/withholding facts to establish or maintain program eligibility.

Applicants/clients and/or authorized representatives must read, initial, sign and date the Program Penalties form prior to subsidy benefits being approved. A new form must be reviewed and signed/dated at each application. The original signed document must be kept in the eligibility case file and a copy provided to the client/representative.

123.3 Appeal Process

Applicants/clients and/or their authorized representatives have the right to a hearing if they are not satisfied with an action taken by the Child Care Program that affects their subsidy benefits, this includes the assessment of an overpayment. The Appeal Process, Form 2161-WC, gives information about the procedures for requesting an appeal.

This form must be provided to the applicant/client and/or authorized representative at each application. Refer to manual section 550, Right to Appeal, for further information.

123.4 Voter Registration Application

Ensure the applicant has been informed that by completing the voter registration section of the application or declining to register will not affect eligibility or benefit amounts, and;

- A decision to decline or to register is confidential and used only for voter registration purposes; and
- A complaint can be filed with the Secretary of State, Capitol Complex, Carson City, Nevada 89710, if they believe someone interfered with their right to:
  - register or decline to register to vote; or
  - privacy in deciding whether to register or apply to register to vote.

If the household member answers “Yes”, provide a Voter Registration Application.

Explain:

- assistance, on request, will be provided in completing the voter registration application form;
- the registration application may be completed in private and mailed at their convenience; and
- information regarding the office where the form originated will remain confidential and will not be used for voter registration purposes.

If the household member answers "No", request they sign and date the form indicating their declination. If there is no response on the form, it is treated as a declination.

If the individual completing the interview is an authorized representative (AR), request the AR give the head of household the Voter Registration Application form. Document the form was provided to the AR.

Do not pend the case or delay benefits for completion of the voter registration section. This section is not an eligibility requirement.

124 Eligibility Factors

At each application, the following eligibility factors must be evaluated prior to the approval of subsidy benefits. For detailed information regarding these elements, refer to manual sections 200 and 300.

- Age
- Special Needs
- Identification
- SSN
- Citizenship
- Immunizations
- Relationship
- Custody
- Residency
- Household Composition
- Purpose of Care
- Child Support
- Income

125 Verification

Verification of all program eligibility requirements must be done prior to authorization and issuance of benefits.

Verification is the process of evaluating the required documents in relation to the eligibility requirements. For the verification to be acceptable, it must be "current" which is defined as being issued within the previous thirty (30) days.

> **EXCEPTION:** When verifying income eligibility, it may be necessary to utilize a sixty (60) day history to accurately project future benefits. See manual section 393 for more information on income budgeting procedures.

Do not deny, terminate or delay benefits if the household has tried all avenues to provide the requested verification or if a third party collateral source refuses to provide verification and there is no reasonable alternate verification available. The clients statement can be accepted in this type of circumstances, however all efforts made by the client or the third party non- cooperation must be documented in the computer system.

125.1 Types of Verification

- Verify elements of eligibility and other household circumstances that impact eligibility and benefit amount/level which are unverified and required.

- Do not re-verify eligibility factors that were previously verified and are not subject to change if previous verification is available in the local office. (Example: relationship, birth proof/citizenship, and deprivation due to death, or any other verification which is maintained in the permanent section.)

- Do not ask a client to provide additional proof if – verification is available through inquiry systems or interfaces (e.g., NOMADS, CSEP, ESD, SDX, WTPY, SSA Benefit Alerts, DMV&PS Internet), or the client indicates the information is readily available in the local office files (active, denied or closed cases including other program areas), and – the information is sufficient to establish current eligibility.

- Determine what types of verifications are readily available to the household and request them first if you anticipate them to be sufficient proof. If preferred sources of verification are not readily available, alternate sources of verification must be accepted if they are reliable and provide sufficient proof.

- Evaluate the verification the household provides and determine if it is reliable and sufficient to decide eligibility and benefit amount/level. If a source of verification is unreliable, suggest a reasonable alternative or request the client to designate another collateral source.

125.1.1 Primary Source – Hard Copy

This type of verification occurs when the case manager actually makes copies or receives copies of the document(s) the client provides. This includes, but is not limited to, pay check stubs, rent receipt, utility bills, birth certificates, Social Security cards, driver's license, NOMADS printouts, etc. The primary source of verification is able to stand solely on its own. This also includes forms (i.e., 2186-WC, Employment Verification, etc.) which verify any eligibility factor.

125.1.2 Secondary Source – Collateral Contacts

These contacts are made by telephone to landlords, employers, utility companies, Social Security Administration, etc., to verify information necessary to make an eligibility determination. The case manager should try to make these types of telephone calls when the client is present, if possible, although it is not necessary.

The results of all collateral contacts and other verifications must be documented and must always contain the name and telephone number of the person the case manager spoke to and the date the contact was made. Any other identifying information such as company, agency, person's title, etc. should also be included.

125.1.3 Visually Viewed

Any document that cannot be copied (i.e., naturalization document) must be documented in the computer system. In addition, if a NOMADS screen is viewed to verify any eligibility factor, it must be documented in the computer system which screen was used to verify that eligibility factor.

> **Exception**: Verification of income, if in NOMADS, cannot be viewed. It must be copied and included in the case file.

Documentation requirements must include the following pertinent information, as applicable:

- Name(s)
- Document type(s)
- Date(s)
- Document/Certificate and/or registration number (if applicable)
- Dollar amount(s) (if applicable)
- Date the information was viewed
- The worker's signature and title

125.1.4 Other Verification – Client Statement/Self-Declaration

This type of verification can only be used when all avenues of hardcopy or collateral contacts have been exhausted or there is undue hardship to the client if they are required to pursue obtaining certain verifications. Acceptance of this type of verification must be fully justified and the case manager must document in the computer system the reason why they have accepted a client's statement.

A client statement or the signed application may be used for proof of income when the client does odd jobs from various sources and cannot obtain verification or if the third party who is required to complete a form or statement on behalf of the client refuses to do so (this is known as third party non-coop). If the application is used, it must be signed within the previous thirty (30) days and give enough information to accurately project the household's ongoing countable income.

The client's statement must not be used to verify identity, citizenship, disability, age if under 19, SSN (when there is a discrepancy) or any information which is questionable.

125.2 Evaluating Verification

As the case manager obtains verification, they must evaluate the evidence to ensure it:

1. Meets the verification requirements for the program element; **and**

2. Does not conflict with other evidence, or that the conflicts are resolved and documented; **and**

3. Proves (either by itself or in combination with other evidence) the facts being verified; **and**

4. Pertains to the case member(s) or other individuals to whom it is supposed to apply; **and**

5. Establishes the program element for the appropriate benefits and corresponding budget month.

125.3 Questionable Information

When information is received that is questionable or conflicts with information already in the file or information from another source contradicts statements made by the household, the case manager must attempt to resolve the issue prior to approving eligibility. The household must be provided an opportunity to resolve any discrepancy by providing proof or designating a suitable collateral source. The case manager must include case notes in the computer system regarding the clarification received.

126 Incoming Information

All information signed and/or received from the client or third-party must be date-stamped with the date the Child Care Program office received the documentation.

127 Pending Information

Benefits must not be approved if information required for the eligibility determination has not been received. Therefore, if all required proof cannot be furnished during the interview, the case manager must give the client a Request for Information (RFI), Form 2156-WC, explaining what is needed, the date the information is due and the date the application will be denied/terminated if the information is not received. A copy of this form must be kept in the client's eligibility case file.

The household must be allowed at least ten (10) calendar days to provide requested information unless a shorter time period is **agreed to** in writing. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day.

If all needed information is provided, the client is notified in writing of the eligibility results. (Refer to manual section 140, Disposition of Application.)

If information is not provided or postmarked within the requested time period, the case manager must deny the application immediately (additional notice is not required).

> **Exception:** When SSN's are requested from the household via the RFI, and the household fails to provide the SSN, benefits must be continued without penalty and the refusal documented in the computer system. Refer to Section 213, Social Security Numbers, for additional information.

When a household or individual is attempting, but is unable to provide the information by the date specified in writing, the due date can be extended to allow time for the additional information as long as the contact is made prior to the expiration date of the RFI. The case manager must document the new due date and the reason for the extension in the computer system case notes.

If the case has been terminated and the information is received before the effective date of the termination, the case may be reinstated. Prudent worker judgment is always applicable for reinstating cases in the above situation or when there are other extenuating circumstances which prevent a household or individual from meeting deadlines.

> **NOTE:** Third party non-cooperation cannot cause the household to be ineligible. Refer to manual section 131, Cooperation with Child Care Program Requirements.

128 "Prudent Person" Principle

The policies and procedures included in this manual are rules for determining eligibility. It is impossible to foresee and give examples for all situations; therefore, Child Care Program staff is encouraged to use reason and apply good judgment in making eligibility decisions when rare and unusual situations are encountered. A reasonable decision made based on the best information available using reason and logic, program knowledge, experience, and expertise in a particular situation is referred to as the "prudent person" principle.

The case manager must document in the computer system the rationale used to make the decision and any applicable manual references and policy interpretations. Follow local office procedures for obtaining an interpretation from Child Care Program Specialists in Central Office, or submit Form 6018, Policy and Procedure Inquiry, requesting clarification or directives, to the Chief of Child Care and Development Program, when it is impossible or inadvisable to follow the prudent person principle because of a lack of information or program knowledge or the existing policy is unclear.

130 COOPERATION

131 Cooperation with Child Care Program Requirements

The household is required to cooperate with the Child Care Program in securing all information needed to determine initial or continuing eligibility. Failure to do so results in ineligibility for the entire child care household. The case manager may assist in obtaining verification when a household is cooperating but is unable to provide the required verification.

If a third party refuses to supply information without an individual's permission, the second page of the most recent application may be used as an authorization to release information. To protect the household's privacy, the case manager must not copy the top portion of the application where the client reports income, education or provider information.

132 Cooperation with the Division of Welfare and Supportive Services (DWSS) and/or the Child Care Program

A case may be selected to review the accuracy of subsidy benefits paid or authorized. Clients are required to cooperate with the review process. Failure to cooperate may result ineligibility until compliance. If the client fails to cooperate with DWSS, DWSS will notify the Child Care Program office in writing of non-cooperation and Child Care Program staff will terminate assistance immediately, allowing for advance notice of the adverse action. If the household contacts the Child Care Program office during the ineligible period wishing to cooperate, the program office must advise the client to contact the applicable DWSS Unit responsible for reviewing the case (i.e., Investigations, Quality Control, etc.).

Program eligibility will not be restored until DWSS reports client compliance to the Child Care Program office.

> **NOTE:** Refer to manual section 625 for provider cooperation requirements with DWSS.

140 DISPOSITION OF APPLICATION

An eligibility decision must be made within thirty (30) calendar days after a completed and signed application is received in the program office. The day after the date the application is received in the program office is the first day of the 30-day period.

EXCEPTION: The worker determines there are extenuating circumstances which necessitate the eligibility decision exceed the thirty (30) calendar day period. The reason must be documented in the computer system.

EXAMPLE: Client reschedules an interview and at the interview additional verification is required which when allowing the ten (10) days would take the decision date past the 30 day calendar period.

NOTE: Since an in-person interview is not required, extenuating circumstances would not include initial interviews being scheduled out so far as to not allow the ten (10) days for the client to provide information and enough time for the case manager to process the case.

141 Notice of Action to the Applicant/Client

At the end of the interview/evaluation, the case status is pending, denied, or approved. Any time benefits are approved, denied, increased or reduced, a Notice of Action/Notice of Appeal, Form 2158-WC, must be provided to the household. The Notice of Action explains their eligibility status and the reason for the decision and the Notice of Appeal allows the household the opportunity to appeal any negative decision made by the Child Care Office. Refer to manual section 550, Right to Appeal, for details regarding the appeal process.

142 Pending Application

The household's application is considered pending if adequate information is not received to determine eligibility.

If additional information or action is required or requested, the applicant must be provided a Request for Information, Form 2156-WC, advising them:

- What information is needed or what action must be taken; **and**
- The date the information must be provided or action must be taken (usually 10 calendar days. Refer to manual section 127, Pending Information); **and**
- Benefits will be denied or terminated if the household fails to cooperate by the required date.

143 Denied Application

Benefits are denied immediately when:

- Ineligibility is established; **or**
- The applicant/representative fails to provide information **essential** to determine eligibility within the requested time period.

If the household is denied, the client must receive a Notice of Action/Notice of Appeal, Form 2158-WC.

144 Approved Application

Benefits are approved when all eligibility requirements are met. At the time the client is determined to be eligible for subsidy benefits, they must be issued a Certificate, a Notice of Action/Notice of Appeal (Form 2158-WC) and a copy of the Income Worksheet/Fee Agreement.

The Certificate must include the following:

- The date subsidy benefits begin and end; **and**
- The subsidy percentage the Child Care Program will pay; **and**
- The daily rate the Child Care Program will pay; **and**
- The funding category the benefits will be paid from; **and**
- The name of the eligible child(ren); **and**
- The provider who will care for the approved child(ren); **and**
- The authorized schedule of attendance for the child(ren); **and**
- The amount of time the child(ren) are authorized on a daily basis (i.e., FT, PT); **and**
- Notice to the client/provider that benefits may be terminated prior to the end date on the Certificate if case circumstances change.

The Certificate authorizing benefits is valid only if signed by an authorized representative of the Child Care Program. The approval date is the date the Certificate is signed and dated by the case manager.

144.1 Certificate Distribution

The original signed Certificate must be kept in the eligibility case file. Copies must be provided to:

- The client/representative, **and**
- The provider.

150 CASE NOTES

Case notes are a chronological history of case events that are maintained in the computer system which support the actions taken by the case manager. After every contact with the client and/or an action taken on the case, case notes must be made in the computer system. Case notes must contain enough information so anyone reviewing the case can determine the reason, logic and accuracy of the determination.

Examples of actions to be documented in the computer system are (not all inclusive):

- Approval of benefits
- Denial of benefits listing the denial reason
- Any updates to the case which result in an increase or decrease of benefits
- Termination of benefits listing the reason the case is being terminated
- Changes reported by the client or any other source
- Change in an authorized representative
- Updates of address, phone number, etc.
- Change in household composition
- Details of conferences and/or hearings results
- Client contacts (concerns or complaints from the client)
- Appointment dates and times scheduled
- Client no-show for appointments

Other information pertaining to the case may also be documented in the case notes as long as it is factual and not the opinion of the case manager. **Case notes must never be backdated**. The current date must be used for making entries even if the activity took place on a previous day. The case manager must document the actual date of the activity within the narrative if it is different than the date of entry.

160 APPROVING CHILD CARE SUBSIDY BENEFITS

161 Authorization of Subsidy Benefits

Before the Certificate is issued, Child Care Program staff must ensure funds are available to reimburse the child care provider for services rendered in accordance with the Certificate. Refer to manual section 103 Availability of Child Care Subsidy Benefits/Waiting List for additional information.

All Certificates must be issued from the computer system; however, in the event it cannot be accomplished at the time of the decision, a handwritten Certificate may be issued for the current month only. Within five (5) calendar days after issuing a handwritten Certificate, the information must be entered in the computer system and an automated Certificate must be generated for the remainder of the certification period and issued to the client and provider.

162 RESERVED

163 Subsidy Amount

Parents/caretakers are required to participate in the cost of their child care services. The co-payment amount is determined by the household size and countable income as detailed in manual section 190, Income Limits and Subsidy Percentages. The household must pay a minimum 5% co-payment, unless:

- They are pending TANF and are participating with NEON Pre-Eligibility Work Activities; **or**
- They are pending TANF and at the time of TANF application they were unemployed but found employment during the TANF pending period; **or**
- They are receiving TANF cash assistance and are eligible for a NEON funded subsidy; **or**
- They are licensed foster parents and all other eligibility requirements are met (i.e., purpose of care, etc.); **or**
- Child Protective Services (CPS) places the children in the household and the caretaker is not related by blood or marriage to the child(ren).

> **NOTE:** If the household meets one of the above exceptions and they have been found guilty of committing an Intentional Program Violation (IPV), they are subject to the applicable IPV penalty and are required to make the applicable co-payment.

164 Effective Dates of Subsidy Benefits

The effective date of the benefits is the first day of the certification period. For new clients or clients that have a lapse in service and have reapplied, eligibility begins with the day the application was received in the Child Care Program office, if all eligibility factors are met unless:

1. The client has not selected an eligible provider. If the client has not selected an eligible provider at the time of application, the certification period must begin on or after the date the client secures an eligible provider.

2. The household does not require child care at the time of application. However, staff must inform applicants that child care is available from the date the application is received forward if all eligibility requirements are met. If the request is made in-person, the case manager must have the client write a statement which is kept in the case file. If the request is made over the telephone, the case manager must document the reason in the computer system. The case note should be as specific as possible and include the reason the client requested a later start date.

3. The household has a NEON referral. The effective date of the certificate must be the date requested on the NEON referral as long as it is not prior to the NEON referral issuance date.

   If the requested start date is prior to the referral issuance date, the case manager must approve benefits from the issuance date forward and notify the NEON worker to pursue written approval for the retroactive benefits from the DWSS Child Care Program Chief, Deputy Administrator or Administrator, prior to the retroactive benefits being approved.

   In addition, if the referral date is greater than fourteen (14) days prior to the application date, the child care case manager must contact the NEON worker to verify the information on the referral is still valid and document the results of the contact in the computer system.

If the certification period does not begin with the application date, the reason for the discrepancy must be documented in the computer system case notes.

NOTE: When an appeal or hearing determines benefits were improperly denied or discontinued, corrective measures must be made to ensure the case is reinstated back to the original date of eligibility and the appropriate payments are made to the provider(s) or client.

165 Length of Certification

The certification period for all households, except Contract Programs (i.e., Headstart, Boys & Girls Clubs, etc.), must be no more than 180 days following enrollment unless they meet one of the exceptions listed below. The first day the household is determined eligible is considered the first day of the certification period, regardless of the day services were approved.

Certification periods must be less than 180 days when:

- The applicant is receiving subsidy based upon a NEON referral. These applicants must be approved for benefits based on the dates listed on the NEON referral, not to exceed 90 days, unless it is verified the TANF benefits will end prior to the referral end date.

- The only eligible child will be turning 13 (or 19 if verified to have a special need). The day they turn 13 (or 19 if verified to have a special need), they are ineligible for benefits and the certificate must end. Refer to manual section 210 for age requirements.

- The applicant is a student. The certificate should not exceed the last day of the semester.

- The household indicates a change affecting eligibility that is anticipated to occur before the end of the 180 day period. Examples (not all inclusive):
  - The applicant is pregnant and once the baby is born, the household size will increase.
  - The applicant is getting married which affects the household size and countable income.
  - A foster child is in the process of adoption, which affects the household size, funding and countable income.

166 Required Information at Approval

At each approval, the case manager must ensure the following:

- The original application form is complete and signed by the applicant (by both parents in a 2-parent household); **and**
- The applicant, and spouse if applicable, has read and signed the Service Agreement explaining their rights and responsibilities; **and**
- The applicant, and spouse if applicable, has read and signed the Program Penalties form, which explains their reporting responsibilities and the penalties for Intentional Program Violations; **and**
- All required verification according to policy is in the eligibility case file and date stamped with the date it was received by the Child Care Program office; **and**
- The authorized representative has been re-established, if applicable; **and**
- The applicant has been issued a copy of the Certificate; **and**
- The applicant has been issued the Notice of Action/Notice of Appeal, Form 2158-WC.

170 CO-PAYMENTS

171 Co-Payment Requirements

Clients not receiving a 100% subsidy are required to participate in the cost of their child care by making co-payments to the provider. The household's co-payment amount is determined based upon their household size and countable income (manual section 190, Income Limits and Subsidy Percentages).

Exceptions:

1. If the provider charges a discounted rate (i.e., multiple child discount, weekly rate, etc.) which is less than the Child Care Program's reimbursement rate and this results in the client owing no additional monies to the provider, the client is not responsible for a co-payment.

2. If the provider offers multiple rates within a recognized care level category, the rates will be averaged when compared to the state maximum rate. Therefore, this may result in the client being charged an amount less than what is listed on the Certificate. In this instance, the client is not responsible for a co-payment.

Co-payments may be evaluated and waived by the DWSS Child Care and Development Chief, on a case-by-case basis, if unusual circumstances exist. The request must be submitted in writing and must detail the circumstances that suggest the co-payment should be waived.

172 Verification of Co-Payment

The Child Care Program office must verify clients are current with their required co-payments. Therefore, at least five (5) percent of the caseload must be randomly selected for review by the Child Care Program office on a monthly basis.

173 Failure to Pay Co-Payment

If the client fails to pay or is not current with their co-payments, the client must attempt to obtain a Repayment Agreement with their child care provider. Verification must be provided to the Child Care Program office within ten (10) calendar days. If the client fails to pay the co-payment in accordance with the provider's payment policy and/or fails to attempt to obtain a Repayment Agreement, benefits must be terminated allowing advance notice of adverse action as described in manual section 500, unless the client is receiving a NEON funded subsidy. NEON clients must not be terminated.

180 FUNDING CATEGORIES

181 NEON (New Employees of Nevada)

Eligible persons are those who are pending TANF and participating in Pre-Eligibility Work Activities, TANF recipients who are participating in NEON activities and recipients eligible for the DWSS Temporary Program. DWSS or DWSS contract staff determines eligibility for NEON-funded subsidy benefits by completing the NEON Child Care Referral, Form 2728-WA, requesting services. Eligibility is based on the client's need for child care to seek employment, accept employment, or participate in an approved work activity, including meetings and orientations with DWSS staff or DWSS contract staff.

> **NOTE**: NEON clients who are in a conciliation status, serving a TANF IPV penalty with DWSS or volunteering with the NEON Program may be eligible for subsidy benefits as long as they are participating in a DWSS directed activity.

Child care is paid at 100% of the state maximum for NEON funded participants, both mandatory and voluntary, while in an approved NEON activity. There is no waiting list for NEON eligible households.

182 At-Risk

Eligible persons are those who are not participating in the DWSS NEON pre-eligibility activities, Temporary Program or NEON program and have countable income at or below 130% of the Federal Poverty Level for their household size.

Child Care Program staff determines eligibility for this funding category.

183 Discretionary

Eligible households are those who are not participating in the DWSS NEON program, NEON pre-eligibility activities or Temporary Program.

These households have countable income exceeding 130% of the Federal Poverty Level but are below the 75% state median income for their household size.

> **Exceptions:** The households listed below must be served from the Discretionary funding category, even if their income falls below 130% of the Federal Poverty Level.
>
> - Contract/Delegate Programs (Refer to manual section 480.)

Child Care Program staff determines eligibility for Discretionary funded benefits.

190 INCOME LIMITS AND SUBSIDY PERCENTAGES

To determine the level of benefits a household is eligible for, the case manager must first determine the household size and the countable income. Under each household size heading (in gray) on the Sliding Fee Scale Chart, the applicable income range is listed. On the far right of the table is the percentage of child care benefits the Child Care Program will pay on the client's behalf.

The following codes are used in the chart:

(P) = Poverty Level determined by the Department of Health and Human Services

* = Indicates the figure is 75% of Nevada's median income. The median income for Nevada is determined by the Department of Health and Human Services.

** = All households except NEON, CPS and Foster are required to pay a minimum 5% co-payment for their child care services. NEON, CPS and Foster Parents receive 100% of the state maximum reimbursement.

The bold figure indicates 130% of the Federal Poverty level.

Sliding Fee Scale

STATE OF NEVADA
CHILD CARE & DEVELOPMENT/SUBSIDY PROGRAM

HOUSEHOLD SIZE & MONTHLY INCOME CHART
Effective October 1, 2009

ONE			TWO			THREE			Subsidy %
$ -	-	$ 903 (P)	$ -	-	$ 1,214 (P)	$ -	-	$ 1,526 (P)	95-100% **
$ 904	-	$ 1,070	$ 1,215	-	$ 1,428	$ 1,527	-	$ 1,787	90%
$ 1,071	**1,173**	$ 1,237	$ 1,429	**1,578**	$ 1,642	$ 1,788	**1,984**	$ 2,047	80%
$ 1,238	**-**	$ 1,404	$ 1,643	-	$ 1,856	$ 2,048	**-**	$ 2,308	70%
$ 1,405	-	$ 1,571	$ 1,857	-	$ 2,070	$ 2,309	-	$ 2,569	60%
$ 1,572	-	$ 1,738	$ 2,071	-	$ 2,284	$ 2,570	-	$ 2,830	50%
$ 1,739	-	$ 1,905	$ 2,285	-	$ 2,498	$ 2,831	-	$ 3,090	40%
$ 1,906	-	$ 2,072	$ 2,499	-	$ 2,712	$ 3,091	-	$ 3,351	30%
$ 2,073	-	$ 2,231 *	$ 2,713	-	$ 2,917 *	$ 3,352	-	$ 3,604 *	20%
$ 2,232	+		$ 2,918	+		$ 3,605	+		0%
FOUR			**FIVE**			**SIX**			**Subsidy %**
$ -	-	$ 1,838 (P)	$ -	-	$ 2,149 (P)	$ -	-	$ 2,461 (P)	95-100% **
$ 1,839	-	$ 2,146	$ 2,150	-	$ 2,503	$ 2,462	-	$ 2,862	90%
$ 2,147	**2,389**	$ 2,453	$ 2,504	**2,794**	$ 2,858	$ 2,863	**3,199**	$ 3,264	80%
$ 2,454	**-**	$ 2,761	$ 2,859		$ 3,212	$ 3,265	**-**	$ 3,665	70%
$ 2,762	-	$ 3,068	$ 3,213	-	$ 3,567	$ 3,666	-	$ 4,066	60%
$ 3,069	-	$ 3,376	$ 3,568	-	$ 3,921	$ 4,067	-	$ 4,467	50%
$ 3,377	-	$ 3,683	$ 3,922	-	$ 4,276	$ 4,468	-	$ 4,869	40%
$ 3,684	-	$ 3,991	$ 4,277	-	$ 4,630	$ 4,870	-	$ 5,270	30%
$ 3,992	-	$ 4,290 *	$ 4,631	-	$ 4,977 *	$ 5,271	-	$ 5,663 *	20%
$ 4,291	+		$ 4,978	+		$ 5,664	+		0%
SEVEN			**EIGHT**			**NINE**			**Subsidy %**
$ -	-	$ 2,773 (P)	$ -	-	$ 3,084 (P)	$ -	-	$ 3,396 (P)	95-100% **
$ 2,774	-	$ 3,151	$ 3,085	-	$ 3,440	$ 3,397	-	$ 3,729	90%
$ 3,152	**-**	$ 3,530	$ 3,441	**-**	$ 3,795	$ 3,730	**-**	$ 4,061	80%
$ 3,531	**3,604**	$ 3,908	$ 3,796	**4,009**	$ 4,151	$ 4,062	-	$ 4,394	70%
$ 3,909	**-**	$ 4,287	$ 4,152	**-**	$ 4,506	$ 4,395	**4,414**	$ 4,727	60%
$ 4,288	-	$ 4,665	$ 4,507	-	$ 4,862	$ 4,728	**-**	$ 5,059	50%
$ 4,666	-	$ 5,043	$ 4,863	-	$ 5,218	$ 5,060	-	$ 5,392	40%
$ 5,044	-	$ 5,422	$ 5,219	-	$ 5,573	$ 5,393	-	$ 5,725	30%
$ 5,423	-	$ 5,792 *	$ 5,574	-	$ 5,921 *	$ 5,726	-	$ 6,049 *	20%
$ 5,793	+		$ 5,922	+		$ 6,050	+		0%
TEN			**ELEVEN**			**TWELVE**			**Subsidy %**
$ -	-	$ 3,708 (P)	$ -	-	$ 4,020 (P)	$ -	-	$ 4,332 (P)	95-100% **
$ 3,709	-	$ 4,018	$ 4,021	-	$ 4,307	$ 4,333	-	$ 4,596	90%
$ 4,019	**-**	$ 4,328	$ 4,308	-	$ 4,594	$ 4,597	-	$ 4,860	80%
$ 4,329	-	$ 4,637	$ 4,595	**-**	$ 4,881	$ 4,861	**-**	$ 5,124	70%
$ 4, 638	**4,819**	$ 4,947	$ 4,882	-	$ 5,167	$ 5,125	-	$ 5,388	60%
$ 4,948	-	$ 5,257	$ 5,168	**5,224**	$ 5,454	$ 5,389	**5,629**	$ 5,652	50%
$ 5,258	**-**	$ 5,567	$ 5,455	**-**	$ 5,741	$ 5,653		$ 5,916	40%
$ 5,568	-	$ 5,876	$ 5,742	-	$ 6,028	$ 5,917	**-**	$ 6,180	30%
$ 5,877	-	$ 6,178 *	$ 6,029	-	$ 6,307 *	$ 6,181	-	$ 6,436 *	20%
$ 6,179	+		$ 6,308	+		$ 6,437	+		0%

(P) Indicates poverty level.

* Indicates that the figure to the left is 75% of Nevada's median income.

**100% subsidies are reserved for NEON activity participants and certain CPS/Foster parent households. All other households are required to participate in the cost of their child care and may qualify for a maximum of 95% subsidy

Bold figures in center indicate 130% of poverty level.

Revised 06/23/09

Non-Financial Factors of Eligibility

200 NON-FINANCIAL FACTORS OF ELIGIBILITY

To be eligible for child care subsidy benefits, households must meet each non-financial factor of eligibility detailed in this section.

210 AGE

A child must be under the age of thirteen (13) to receive a child care subsidy unless they are verified as a child with a special need; then, they are eligible until the age of nineteen (19). The day the child becomes age 13 (or 19 for a child with a special need) they are ineligible.

210.1 Verification

Verification of birth date is required at initial application. Once the birth date has been verified, it no longer needs to be requested with subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Birth Certificate
- Hospital or public health birth record
- Church or Baptismal record
- Bureau of Vital Statistics documents
- Local, state, federal or military record
- Adoption papers or records
- Divorce and/or court custody decrees
- BIA or Tribal records
- School records
- Immigration and Naturalization Service records
- Child support paternity records
- Social Security Administration records
- Certificate of Naturalization

  NOTE: Copying Certificates of Naturalization is prohibited by law. The case manager must note in the computer system the Certificate number, petition number, personal identifying information, date, and the city where the Certificate was issued.

- U.S. Passport
- Printout of NOMADS MEMB or SUMM screen which lists the child's date of birth.

NOTE: The printout must verify the child was eligible for at least one type of assistance (i.e., TANF, SNAP, Medicaid).

EXCEPTION: For Foster or CPS children, verification of age is not required, however a copy of the placement letter from the social service agency placing the child(ren) in the home is required.

211 SPECIAL NEEDS CHILD

A special needs child is defined as a physical or mental condition, which severely limits the individual's ability to care for himself/herself, or an emotional condition that places the individual or others at risk.

NOTE: A child who meets the criteria for special needs is no longer eligible for subsidy benefits effective the day of their 19th birthday. No advance notice is required.

Once verification is received, a request must be sent to the Chief of the Child Care and Development Program to approve the special needs child. The approval/denial will be updated in the computer system and the case manager notified of the decision.

211.1 Verification

Current verification is required at initial application and at each reapplication if the special need condition is not considered permanent.

Verification must be in the form of a statement and/or other documentation which clearly states the child meets the definition of having a "special need". The statement must be signed by a physician or other licensed professional authorized to make such assessments.

NOTE: If verification is not available at the time of approval and the child is under the age of 13, eligibility for the special needs child can be approved while the verification is being pursued.

212 IDENTIFICATION

All applicants, required adult household members and primary authorized representatives must provide identification at application.

If a household member's name on their identification does not match the name on their Social Security card, the case manager must note the reason for the discrepancy in the computer system (e.g., individual got married, divorced, etc.). However, the name issued on the Social Security card must be used when entering the case in the computer system. The case manager should refer the applicant to the local Social Security Administration (SSA) office to resolve the discrepancy, however if the applicant fails to do so benefits must not be denied or terminated.

212.1 Verification

Verification of identification is required. Once identification has been verified, it no longer needs to be requested with subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Birth certificate
- Driver's License
- Valid State Identification card
- Hospital or public health birth record
- Military ID (active, retired, reserve, dependent, etc.)
- U.S. Passport or citizen ID card
- Baptismal record
- Adoption papers or records
- Work or School ID card
- Voter Registration card
- Child Welfare records
- Printout of NOMADS MEMB screen which lists the individual's name, SSN, date of birth, citizenship status and birthplace.

  EXCEPTION: NOMADS cannot be used as verification of identity for the applicant.

  NOTE: The printout must verify the individual was eligible for at least one type of assistance (i.e., TANF, SNAP, Medicaid).

- Any other document providing identifying data such as physical description, photograph or signature

213 SOCIAL SECURITY NUMBER

Social Security Numbers (SSN) are requested for every household member at the time of application. If the application **does not** contain this information, the case manager must request the applicant's disclosure (i.e., via the Request for Information, Form 2158-WC). If an applicant fails to provide the SSN(s) when requested, this will be considered a "refusal".

The case manager must not deny/terminate benefits due to applicant's refusal but this must be documented in the computer system.

If an applicant expresses concern over the use of their SSN, the case manager must inform the applicant the information will only be used when determining their eligibility, verifying public assistance benefits and for federal reporting purposes.

NOTE: If a false SSN is provided for a non-citizen, have the computer system create a pseudo SSN for the member. Additionally, the case manager must document in the computer system the false SSN provided for the non-citizen.

213.1 Verification

If the SSN is provided, verification is required at initial application. Once the SSN has been verified, it no longer needs to be requested with subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Social Security card or check
- Social Security Administration benefit letter
- Pay stub
- NOMADS MEMB screen printout

NOTE: The printout must verify the child was eligible for at least one type of assistance (i.e., TANF, SNAP, Medicaid).

EXCEPTION: For Foster or CPS children, verification of social security number is not required, however a copy of the placement letter from the social service agency placing the child(ren) in the home is required.

214 CITIZENSHIP

To receive subsidy benefits, the **child** must either be a citizen of the United States, or a non-citizen lawfully admitted to the United States. The parent/caretaker's citizenship is not required for the household to be eligible for subsidy benefits.

214.1 Definition of Citizenship

For the purposes of qualifying as a U.S. Citizen, the United States is defined as the 50 states and the District of Columbia, Puerto Rico, Guam, U.S. Virgin Islands and the Northern Mariana Islands. In addition, nationals from American Samoa or Swain's Islands are regarded as U.S. Citizens. Children of U.S. citizens born out of the U.S. are considered citizens unless questionable.

214.2 Eligible Non-Citizens

An eligible non-citizen is a person who is lawfully admitted based upon sections of the Immigration and Naturalization Act under which they are residing in the United States.

214.3 Verification

Verification of a child's citizenship status is required at initial application. One citizenship status has been verified, it no longer needs to be requested with subsequent applications.

> **NOTE**: Citizenship status for an eligible non-citizen child should be reverified with subsequent applications.

Possible sources of verification are as follows (not all inclusive):

- Birth certificate (U.S. or its possessions)
- Hospital or public health birth record
- Baptismal record with date and place of birth
- U.S. Passport
- Military service papers
- Indian census papers
- Voter Registration card
- Naturalization papers

> **NOTE:** Copying Certificates of Naturalization is prohibited by law. The case manager must note in the computer system the Certificate number, petition number, personal identifying information, date and the city where the Certificate was issued.

- Printout of NOMADS MEMB screen which verifies the child is a citizen and the child is/was eligible for TANF or Medicaid.
- Consular Report of Birth or "Certification of Birth" issued by the U.S. Department of State.
- I-551 (Permanent Resident Card) – Expires ten years from date of issue. At the end of the ten years, the Lawful Permanent Resident (LPR) does not lose his/her status, but must simply renew the card.
- I-151 (Resident Alien Card) – United States Citizenship and Immigration Service (USCIS) discontinued the use of these cards in March 1996. If the non-citizen has an expired I-551 card, it does not mean that he/she has lost LPR status; it means only that the I-151 is no longer considered proof of the person's LPR status when he/she applies for a job or attempts to re-enter the U.S. Individuals who still have the I-151 should apply for the I-551.

- USCIS documents, USCIS letter, a court order or a passport and other resources.

  EXCEPTION: For Foster or CPS children, verification of citizenship is not required, however a copy of the placement letter from the social service agency placing the child(ren) in the home is required.

215 IMMUNIZATION

All children receiving subsidy benefits must be current with immunizations unless they meet one of the following exceptions:

- The parent/caretaker submit a signed statement which declares immunizations are contrary to their religious beliefs; **or**
- The child has a medical condition that prohibits immunization and this is verified by a physician's written statement.

215.1 Verification

Immunization records are maintained by **all** providers and as such verification is not required to be maintained in the case file. Child Care staff will monitor all unlicensed providers' immunization records during health and safety home inspections to ensure immunizations for children receiving CCDF subsidy benefits are current.

216 RELATIONSHIP/HOUSEHOLD COMPOSITION

Relationship must be established for all members of the child care household to determine the appropriate household size and countable income.

216.1 Required Household Members

The household must include the following individuals, regardless for whom assistance is being requested, when they are living in the same residence:

- The child(ren) for whom assistance is requested: **and**
- The natural/adoptive parent(s) of the child(ren); **and**
- The stepparent(s) of the child(ren); **and**
- The natural/adoptive/step dependent siblings of the child(ren) and their sibling's dependents (niece/nephews), regardless of citizenship status (as long as they are not included in another active child care household); **and**

NOTE: A natural/adoptive/step dependant sibling is defined as a child 17 and younger **or** a child who is 18 years old, attending school (high school or GED program) and expected to graduate before or in the month of their 19th birthday.

Age	In School?	Graduation Month	Included in Household?
18	No		No
18, but less than 19	Yes	Before or in same month as 19th birthday	Yes, until graduation
		After 19th birthday	No, not after 18th birthday
Over 19			No

EXCEPTION: A child who is receiving subsidy benefits due to being approved as "special needs" is included in the household until their 19th birthday regardless of school status.

- Any adult who has guardianship/custody of the child(ren) for whom assistance is requested and the guardian/caretaker's spouse and dependent children; **and**
- The Non-Needy Caretaker or Kinship Care household, designated by DWSS; **and**
- The major parent(s) and dependent siblings of the minor parent.

EXCEPTION: Household members may be exempt based on other policies listed within the Child Care Policy Manual (i.e. Foster Parents)

CPS and Foster parents/caretakers, their spouses and children are considered part of the household; however, they are not included in the household size and their income is not included when determining eligibility for CPS/Foster child(ren).

Refer to manual section 216.4.3, Foster Parent and/or manual section 216.4.4, Child Protective Service (CPS), for information.

The household may not exclude a required member from the assistance unit. If verification necessary to determine eligibility is not provided for a required member, the entire household is ineligible.

216.2 Verification of Relationship

Verification of relationship of required household members is required. Once relationship has been verified, it no longer needs to be requested with subsequent applications, unless a change in relationship has been reported/discovered (i.e., marriage, divorce, adoption, etc.).

Possible sources of verification are as follows (not all inclusive):

- Birth Certificates which verify relationship
- Legal court documents
- Adoption papers or records
- Hospital or public health birth records
- Bureau of Vital Statistics documents
- Church or baptismal record
- Local, state, federal government or military record
- School records
- Immigration and Naturalization Service records
- Child support paternity records
- Juvenile court records
- BIA or Tribal records
- Marriage license/tribal marriage certificate
- Divorce/Custody papers
- Court records of parentage
- Letter from case worker or social worker for foster, CPS and/or adoptive parents
- NOMADS printout which lists all household members and their relationship to the applicant

  NOTE: The applicant does not need to be a current recipient of DWSS benefits, but the printout must verify the household member **received** TANF or TANF Related Medicaid.

- Notarized letter from absentee parent(s)

If proof of relationship is not available, the case manager must make an evaluative decision and document the rationale for the decision in the computer system.

216.2.1 How to Make an Evaluative Conclusion

The case manager must examine and come to a conclusion of relationship based on all available proof such as school records, court records, birth records, passports, INS records, or other source of proof that provides the same information.

> **NOTE:** The case manager may offer assistance if the applicant has difficulty obtaining the information.

When complete, the case manager must obtain management approval of the evaluative conclusion and document the relationship in the computer system.

216.3 Verification of Household Composition

The applicant's statement of household composition is accepted unless the case manager has reason to question it, whereby verification would then be required.

Possible sources of verification of household composition are as follows (not all inclusive):

- Copy of the lease listing all household members;
- Statement from non-relative landlord/manager listing all household members;
- Statement from non-relative friend/neighbor listing all household members;
- NOMADS printout which lists all household members living in the applicant's residence and verifies all household members are currently receiving TANF, SNAP and/or Medicaid.

216.4 Group Identity

To ensure correct eligibility is determined per Household Composition requirements, four Group identities have been created – Traditional, Minor, Foster or CPS.

216.4.1 Traditional Group Set

Each application will have only one Traditional Group Set. The Traditional Group Set is usually a parent/child(ren) relationship and would include NNCT and Kinship households.

Subsidy Amount

Traditional Groups eligible under the NEON category are eligible for 100% of the state maximum. For all other households, the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

216.4.2 Minor Group Set

A minor parent is an individual under the age of eighteen (18), who is not emancipated **and** is the natural parent of a dependent child(ren). Individuals are no longer considered minors beginning the day they become age eighteen (18).

Additional Information

- An emancipated minor is defined as:

  A person under age eighteen (18) who has been married. The marriage must not have been annulled. If a minor parent's marriage ends due to divorce, the minor is still considered emancipated. A copy of the marriage certificate must be kept in the casefile; **or**

  A person under age eighteen (18) who has received a Decree of Emancipation issued from a District Court or established Tribal Court. A copy of the emancipation decree must be kept in the casefile.

- A minor parent who is not emancipated cannot apply for subsidy benefits for their dependents. An adult household member must apply on the minor's behalf. If the minor parent is not living with any guardians, the case must be assessed for a CPS referral.

  NOTE: The individual signing the application must be able to be held legally responsible for the statements made on the application. Since a minor cannot be held legally responsible (unless they are emancipated), they cannot complete the application process.

  Exception: If NEON Child Care Referral has been received for a minor parent, services must be provided based upon the referral information.

- If a minor parent has not graduated high school or obtained a GED, their primary purpose of care **must** be Student and full-/part-time rate is based on the school schedule.

Subsidy Amount

Minor Group eligible under NEON funding is eligible for 100% of the state maximum. For all other Minor Groups the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

216.4.3 Foster Group Set

A foster parent is a licensed adult(s) who cares for a child who is a ward of the court. The child has been placed in the custody of the family or group home for a defined length of time, until they can be returned to their natural/adoptive parents or are adopted.

Additional Information

- A copy of the current foster care license must be maintained in the casefile.
- The foster parent(s) must provide a copy of the documentation from the court or social worker, which defines the child as “foster” and the effective date of the transfer of custody.
- Verification to support the current “foster” status is required at each application.
- Verification of age, Social Security Number and citizenship is not required, however a copy of the placement letter from the social service agency placing the child(ren) in the home is required.
- The foster child is considered a household of one unless there are siblings in the household. All siblings must be included in the household size; however, each child must have a separate Certificate for services.
- Purpose of care and schedule must be verified for the foster parent(s) listed on the foster license at each application.

- Income received by the traditional household is not countable and not required to be verified.

- Foster parents may be eligible for services while seeking employment; however, the Group Set must be "Foster" and they must meet the additional requirements listed in manual section 420.

Subsidy Amount

Foster group sets are eligible at 100% of the state maximum reimbursement amount.

EXCEPTION: If the foster parent is related by blood or marriage, the eligible foster parent can receive up to two (2) years of 100% of the state maximum reimbursement amount. After the two (2) years, the foster parent will no longer be eligible under "foster" for the related child. However, the foster parent may be eligible under a different group set and have a co-payment.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

216.4.4 CPS Group Set

To be eligible under this category, a child must be placed in the custody of an individual for a defined length of time, until they can be returned to their natural/adoptive parent(s).

Additional Information

- If the child is placed in the custody of an individual who is related by blood or marriage, the applicant and other required adult household members must become licensed foster parents within six (6) months of the placement. During this six month period, the case will remain under the CPS group set. Once the applicant provides a copy of their foster care license, the child(ren) must be moved to the Foster group set. If the applicant fails to become a licensed foster parent by the end of the six (6) month period, the household must then be evaluated under another group set and meet all the eligibility requirements for that group set.

NOTE: If the CPS agency places the child back with the natural/adoptive parent but retains custody, the child is no longer considered a CPS child and will be evaluated as a part of the natural/adoptive parent's household.

- A referral from a child protective service agency is required at each application.

- The caretaker must provide a copy of the documentation from the court or social worker, which defines the child as "CPS" and the effective date of the transfer of custody.

- Verification of age, Social Security Number and citizenship is not required, however a copy of the placement letter from the social service agency placing the child(ren) n the home is required.

- The child is considered a household of one unless there are siblings in the household. All siblings must be included in the total household size; however, each child must have a separate Certificate for services.

- Purpose of care and schedule must be verified for all required adult household members.

- Income received by the traditional household is not countable and not required to be verified.

Subsidy Amount

The subsidy for CPS group set is 100% of the state maximum reimbursement amount.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

216.4.5 Examples of Group Identity

Household Members	CC Req	Group Set	Group Set	Group Set
Applicant Applicant's 2 children 1 unrelated child with applicant as guardian	**X**	Traditional Applicant Applicant's 2 children Unrelated child		
Applicant Foster Child (unrelated) Foster Child (unrelated)	**X**	Traditional Applicant	Foster Foster child	Foster Foster Child
Applicant Applicant's 2 minor children (1 is minor parent) Applicant's grandchild (child of minor parent)	**X**	Traditional Applicant Applicant's 2 children Applicant's grandchild	Minor Applicant Applicant's 2 children Applicant's grandchild	
Applicant Applicant's 2 grandchildren (not siblings – Kinship)	**X**	Traditional Applicant 2 grandchild		
Applicant Applicant's spouse Applicant's 3 children Applicant's spouse's 2 children Spouse's grandchild	**X**	Traditional Applicant Spouse Applicant's 3 children Applicant's spouse's 2 children Spouse's grandchild		
Applicant Grandchild (CPS placement)	**X**	Traditional Applicant	CPS Grandchild	

216.5 Temporary Absence

Temporary absence of a required household member is allowed for a period of thirty (30) calendar days or less without affecting the household size or countable income as long as the following criteria is met:

- The absent individual is not incarcerated: **and**
- The absent individual has an expected return date within thirty (30) calendar days; **and**
- The absent individual is not requesting or receiving child care subsidy benefits from another household; **and**

- The absent individual is not the parent/caretaker in a single parent/caretaker household. If the child care household is approved with only one parent/caretaker and that parent/caretaker leaves the household, the case must be denied/terminated. If another household takes in the children, the new household may reapply.

  Exception: The household size is not decreased if a household member's absence is solely due to active duty in a uniformed service. Uniformed service includes Army, Navy, Air Force, Marine Corps, Coast Guard, Environmental Sciences Services Administration and Public Health Service of the United States. **However, if it is verified the household member is deployed more than thirty (30) days, he/she would not be included in the household.**

The parent/caretaker must explain and/or verify the following:

- The purpose for leaving the household; **and**
- The approximate date of return; **and**
- If the member leaves the state, which state the household considers their residence.

If it is determined a member will be gone for more than thirty (30) calendar days or is no longer residing in the household, the member must be removed and eligibility for subsidy benefits reevaluated for the household.

217 CUSTODY

Children must be living with the person(s) applying for child care subsidy benefits.

For households that have joint physical custody and both parents are applying for assistance for the common child(ren), both parents must sign an application and other required forms. To determine eligibility, both families will be evaluated as one household to determine if all eligibility requirements have been met (e.g., purpose of care, income, etc.). In addition, both parents are equally responsible to report changes. If the parents are not willing to meet these requirements or fail to cooperate, the case manager must deny or terminate benefits.

NOTE: If a household claims joint physical custody of a child but only one parent is applying for assistance, the case manager must only consider the circumstances of the applicant's household when determining eligibility.

For information about visitation with an absent parent, refer to manual section 216.6, Temporary Absence.

217.1 Verification

Applicant(s) are required to provide proof of custody for children in their care if they are not the natural/adoptive parents. Possible sources of verification are as follows (not all inclusive):

- Court custody documents
- Adoption papers or records
- Letter from case worker or social worker for foster and/or adoptive parents
- NOMADS printout listing all household members as current TANF or TANF Related Medicaid recipients and their relationship
- Divorce decree indicating custody arrangements
- Notarized letter from absentee parent
- Other documentation must be approved in writing by DWSS Child Care staff.

218 RESIDENCY

Applicants and eligible household members must be living in Nevada to be eligible for benefits.

218.1 Verification

Current verification of residency is required at each application and any time a change in residence occurs. Possible sources of verification are as follows (not all inclusive):

- Rent/Mortgage receipt listing the applicant's name and current physical address
- Current utility statements/receipts (electric, gas, telephone, cable, etc.) as long as the applicant's name and current physical address are listed on the document.
- Current statement from non-relative landlord not living in the home.
- Valid Nevada Drivers License or Department of Motor Vehicles ID Card with current physical address.
- Current employer's statement or records (e.g., applicant's physical address listed on pay stub or Employment Verification form).
- Valid foster parent license.
- Current CPS placement letter as long as the placed children are still in the home.
- NOMADS printout which lists the current physical address and verifies household members are currently receiving TANF, SNAP and/or Medicaid.

NOTE: For **timely reapplications**, if the household has not moved since the previous application, the verification of residency used with the previous application may be used as verification for the current application, with the exception of NOMADS verification. For timely reapplications, a new NOMADS printout verifying applicant is currently receiving a benefit is required.

218.2 Protected Address for Domestic Violence Victims

State law, NRS 217, allows victims of domestic violence to protect their location by applying for a fictitious address through the Secretary of State Office's Confidential Address Program (CAP). Anyone requesting to apply for this protection is referred to their local community domestic violence advocacy group. The local advocacy group staff will explain CAP and complete a domestic violence assessment. When advocacy group staff determines CAP is appropriate for the victim, they assist the victim in completing the application process and forward the application and a referral to the Secretary of State's Office.

When an advocacy group has submitted a CAP application to the Secretary of State's Office or a victim has been approved for CAP, the Child Care Program office must not require the person to provide their actual physical address. Persons pending a determination for CAP may use an alternative address (i.e., friend, relative or shelter address). Victims of domestic violence approved for CAP can use the fictitious address assigned by the Secretary of State's Office.

The Secretary of State's Office verifies Nevada residency; therefore, the Child Care Program office does not require residence verification for individuals who have applied or been approved for CAP.

218.2.1 Verification

The Secretary of State's Office verifies Nevada residency; therefore, the Child Care Program office does not require residence verification for individuals who have applied or been approved for CAP. If the applicant has been approved for CAP, request a copy of the letter from the Secretary of State's Office for the case file. At reapplication, applicant's statement can be accepted to verify CAP status is still current.

If the applicant is pending a CAP approval, request a statement from the domestic violence advocacy group to verify the pending CAP application. If verification is received showing the actual physical address, the case manager must notate the details such as the household composition, move in date, etc., but it must not include the actual physical address. To conceal the applicant's location, the actual physical address must not be maintained anywhere in the case file or computer system.

219 RESERVED

220 PURPOSE OF CARE

To be eligible for a child care subsidy, the applicant and all other required adult household members and minor parents must be in an approved activity such as working, seeking employment, minor parent attending school, attending DWSS approved activities or the parent/caretaker is temporarily disabled/ incapacitated and unable to care for the child (ren). Refer to manual section 400, Eligibility Categories, for additional details regarding each type of purpose of care.

NOTE: Minor parents **must** be attending high school or a program to obtain their GED to qualify for child care assistance. If the minor parent has obtained their high school diploma or equivalent, they may qualify for child care under another category (see manual section 431.1).

Exception: DWSS may issue a NEON Child Care referral for a two-parent household authorizing care, noting only one parent is a NEON mandatory participant. DWSS will issue a referral for the mandatory parent. **These clients are to receive immediate services.**

The following household's do not meet the purpose of care eligibility requirement:

- An individual who is on strike. A striker is anyone who participates with one or more employee in a work slow-down or stoppage. This includes a stoppage resulting from the expiration of a collective bargaining agreement.

  NOTE: Individuals affected by a lockout are not strikers. Additionally, if circumstances deteriorate during the strike to the extent the individual loses his job (e.g., the company is forced out of business, permanent replacements are hired by the company, etc.), the individual will not be considered a striker.

- Self-employed individuals who work in their home (e.g., seamstress, paralegal, web designers, medical transcribers, registered providers, etc.).

EXCEPTION: If an individual meets a minimum of at least two of the three criteria listed below, then the purpose of care eligibility requirement is met:

1) have a valid business license;

2) are zoned to legally operate a business out of their home; or

3) have employed and are paying individual(s) to work for their business

Households who authorize the reimbursement of child care services when an adult household member is not participating in their approved purpose of care must be evaluated for an overpayment and an intentional program violation (IPV).

220.1 Verification

Current verification of purpose of care is required at application, reapplication and any time a change in purpose of care occurs. Possible sources of verification are as follows (not all inclusive):

Employment:

- Pay stubs
- Letter from employer on company letterhead indicating days and hours of employment, the effective/hire date and signed/dated by the employer. The individual signing the document should be knowledgeable about the employee's wages, schedule, etc.
- Employment Verification, Form 2186-WA

Job Search:

- Job Search Agreement, Form 2159-WC, issued by the Child Care Program office

School Attendance for minor parents:

- Official class schedule
- Other documentation from the school which indicates the start and end date of the course(s)

NEON Activity:

- A completed NEON Child Care Referral, Form 2728-WA, signed and dated by the DWSS caseworker, see manual section 106.1.

Temporary Disability:

- Letter/statement from a physician or other licensed professional authorized to make such assessments listing the start and anticipated end date of the disability. The letter/statement must state whether or not the applicant or required household member is **able** to care for the child(ren) due to the disability.

220.2 Schedule

The purpose of care schedule is required to determine when care is needed for the child(ren).

Set Schedule: Applicants, required adult household members and minor parents who have a set schedule must be authorized for the specific days which correspond to their schedule.

> **NOTE**: If the employer verification states the applicant or required adult household members has a regular schedule but indicates there may be occasional/inconsistent overtime, the case manager must issue the Certificate based upon the regular schedule. Since irregular/inconsistent income from overtime is not included when determining the household's subsidy amount, the household is not eligible for subsidized child care for unscheduled days/time when the overtime is performed.
>
> If at any time it is determined overtime is performed on a consistent basis, the household's eligibility must be redetermined to include the overtime pay and update the applicant or required adult household member's schedule accordingly.

Varied/Rotating Schedule: Applicants, required adult household members or minor parents who have a varied/rotating schedule must be authorized for up to the number of days needed to meet their purpose of care per week.

> **Example:** The applicant or required adult household member is scheduled to work four (4) days a week; an open schedule must be noted on the Certificate with a note stating any four (4) days of the week are authorized. Anything over four (4) days is the responsibility of the applicant.

220.2.1 Verification

Current verification of the applicant's, required household member's or minor parent's schedule is required at application, reapplication and any time a change in schedule occurs.

If verification is unavailable (e.g., employer uses The Work Number, employer refuses to provide schedule information, client is self-employed), the applicant's statement may be accepted. If this is done, the circumstances must be documented in the computer system.

Possible sources of verification are as follows (not all inclusive):

Employment:

- Letter from employer on company letterhead indicating days and hours of employment, the effective date and signed/dated by the employer
- Employment Verification, Form 2186-WA, completed by the employer

School Attendance for minor parents:

- Official class schedule
- Other documentation from the school

NEON Activity:

- A completed NEON Child Care Referral, Form 2728-WA, signed and dated by the DWSS case manager, see manual section 106.1.

221 CHILD SUPPORT

The purpose of the Child Support Enforcement Program (CSEP) is to ensure non-custodial parents provide support for their children. The cooperation of the applicant in obtaining financial support for children requesting subsidy benefits (unless "good cause" exists) is an eligibility requirement for receiving child care subsidies.

> **Exception**: Foster and CPS parents, regardless if they are related by blood or marriage to the child(ren) requesting assistance, or children enrolled with a Head Start or Early Head Start program are not required to pursue child support from the non-custodial parents.

NOTE: NEON clients are required to pursue child support and be in compliance with the CSEP office as a requirement of TANF eligibility; therefore, monitoring cooperation is not required by Child Care Program staff.

Unless excluded, all parent/caretakers must complete the Application for Child Support Services, Form 4000-EC. For minor parent households, the minor parent can complete and sign the child support application for the NCP of their dependent child.

- OPEN CHILD SUPPORT CASE

  If there is an open child support case(s) in Nevada or any other state, the parent/caretaker is not required to complete the Application for Child Support Services.

  NOTE: If there is a court order established which does not require child support payments, (i.e., each parent has custody of a child, a child's custody is 50% with each parent, etc.) the parent/caretaker is not required to complete the Application for Child Support Services.

- INFORMAL SUPPORT AGREEMENT

  If there is an informal support agreement (no court order) between a parent/caretaker and the non-custodial parent (NCP) and the NCP is currently paying the parent/caretaker the agreed upon child support payments and/or medical coverage, no Application for Child Support Services is required. However, if the NCP is not currently paying the agreed upon child support payments and/or medical coverage, the parent/caretaker must complete the Application for Child Support Services (unless "good cause" exists).

- CLOSED CHILD SUPPORT CASE IN ANOTHER STATE

  If a parent/caretaker has a closed child support case in another state they must complete the Application for Child Support Services (unless "good cause" exists).

- CLOSED CHILD SUPPORT CASE IN NEVADA

  If the parent/caretaker has a closed child support case in NOMADS, the case manager must determine the reason for closure. The following code table defines the various NOMADS closure codes and indicates whether a parent/caretaker is required to complete the child support application. The closure code is shown in the CASD screen in NOMADS. If the case manager is not required to pursue 4000s, the CASD screen must be printed and placed in the case file.

CLOSURE REASONS			
CODE	**TITLE**	**DESCRIPTION**	**PURSUE 4000'S**
ADM	Administrative Closure	Code no longer used.	No
BFU	Biological Father Unknown	The NCP is unknown.	No
DGC	IV-D Good Cause	Good Cause has been granted as noted by an "E", "I" or "W" on CASD screen.	No
DNO	NCP Deceased	NCP has died.	No
EMA	Emancipated	Code no longer used.	No
ERR	Case entered in error	The case was entered in NOMADS in error.	No
FGC	FAME Good Cause	Code no longer used.	No
FOR	Foreign	The NCP lives in a foreign country and child support can't be enforced.	Yes, if the NCP currently resides in the USA
INC	Incarcerated	The NCP is in jail/prison or institutionalized within a medical or psychiatric facility. In addition, this code will be used if the NCP has a permanent disability which precludes them from supporting the child.	Yes, if NCP is no longer incarcerated.
INS	Institutionalized	Code no longer used.	No
JNC	Initiating jurisdiction non-coop	Another state has requested assistance, however they have failed to provide enough information to continue the case processing.	Yes
LCO	Locate only	Another state is requesting assistance in locating the NCP whom they believe lives/works in Nevada.	Yes
LOC	Loss of Contact	The Child Support Program has loss contact with the custodial parent.	Yes
MED	Medical	Code no longer used.	No
MOV	Moved, Child Support Services in Another State	Code no longer used	No
MRG	Closed due to merge	Case was merged with another NCP case in NOMADS	No
NCA	No current order/ arrears <$500	No current support order is on file with the Child Support Program and/or the arrears are less than $500.00	Yes
NCO	Non-cooperation	The custodial parent has not cooperated with the Child Support Program	Yes
NLC	No current order/ Arrears <$500	Code no longer used	Yes
PBI	Paternity best interest	It is in the best interest of the custodial parent that paternity not be established	No
PEX	Paternity excluded	Paternity resulted in the NCP being excluded as the NCP	No
PGC	Paternity good cause	Code no longer used	No
P21	Paternity 21	The child is over the age of 21 and paternity has not been established	No
QLO	Quick Locate	An informal request from another state wanting to know if the NCP is residing or employed in the state of Nevada	Yes
RPT	Recovery Paternity	Code no longer used.	No
RSC	Recipient of services request	The custodial parent requested the case be closed	Yes

CLOSURE REASONS			
CODE	**TITLE**	**DESCRIPTION**	**PURSUE 4000'S**
TPR	Termination of Parental Rights	Code no longer used.	No
UEP	No Details Found	Code no longer used.	No
UL1	Unable to locate 1 year	Unable to locate the NCP for at least one year and SSN of NCP is unknown.	Yes, if the CST has new information regarding the NCP's whereabouts or SSN
UTL	Unable to Locate	Code no longer used.	No
UL3	Unable to locate 3 years	Unable to locate the NCP for at least 3 years.	Yes, if the CST has new information regarding the NCP's whereabouts

After approval, if the case manager receives information, a parent/caretaker has not cooperated with child support requirements, has voluntarily closed their child support case, or is not currently receiving payments per an informal agreement the case manager must notify the household via a Request For Information form 2156-WC, informing the applicant they have ten (10) calendar days to gain compliance, reopen the child support case with the appropriate CSEP office and/or complete the Application for Child Support Services.

If the applicant fails to resolve the noncompliance issue, reopen the child support case or provide the completed child support application, within the requested time period, the case manager must terminate the child care subsidy benefits immediately.

NOTE: If a parent/caretaker has multiple NCP cases, the applicant must remain in compliance with all child support cases to maintain child care eligibility.

221.1 Completing the Application for Child Support Services

If a parent/caretaker is required to complete the Application for Child Support Services, Form 4000-EC, the case manager must issue a Request for Information, allowing the applicant at least ten (10) calendar days to return the completed application. The day after the request date is the first day of the 10-day period.

NOTE: For minor parent households, the minor parent can complete and sign the child support application for the non-custodial parent (NCP) of their dependent child.

If the completed application is received within the requested time period, the case manager must review the form to ensure no areas are blank and the information provided is complete. If the Form 4000 is incomplete it must be sent back to the applicant to complete allowing ten (10) days to return the form. Once the completed form is returned, forward the application to the appropriate CSEP office and continue processing the child care case for eligibility.

If the applicant fails to submit the completed child support application within the requested time period, subsidy benefits must be denied/terminated immediately.

221.1.1 NCP is "Unknown"

If parent/caretaker claims the NCP is "unknown", they must complete the Application for Child Support Services, Form 4000-EC per manual section 222.1 and provide all information known about the NCP. The case manager must attempt to get additional information. If they are unable to secure additional details, the child care case must be processed for eligibility and referred to DWSS Investigations & Recovery (I&R) Unit via an Investigative Referral Form, 2683-EE. The child support application must be attached to the referral.

I&R staff will provide the case manager their findings via the Investigative Follow Up, Form 2682-EE. If the investigation reveals sufficient evidence to determine the identity of the NCP, the case manager must use the findings to evaluate the case for ongoing eligibility and an Intentional Program Violation (IPV).

If the investigation does not reveal sufficient evidence to determine the identity of the NCP, the case manager must file the I&R findings in the eligibility case file and subsidy benefits may continue. At reapplication, the case manager must determine if new information regarding the NCP is available.

221.1.2 NCP Is Incarcerated

A parent/caretaker is not required to complete the child support application if the NCP is incarcerated. The parent/caretaker must provide a statement which includes the NCP's name, SSN (if known), and where the NCP is incarcerated (if known). If the parent/caretaker cannot provide this verification, they must complete the Application for Child Support Services.

> **NOTE:** The parent should always provide as much information as is known about the NCP's incarceration, including the state and name of the correctional facility

221.2 Claiming "Good Cause" for Non-cooperation with Child Support Requirements

At application or anytime thereafter, a parent/caretaker has the right to claim "good cause" for not cooperating with child support requirements and request a determination of its validity. The parent/caretaker can request a "good cause" determination, by reading and signing the Child Support Enforcement "Good Cause" Request, Form 2181-WC. The parent/caretaker must receive a copy of Form 2181-WC signed by themselves and the child care case manager.

The Child Support Enforcement "Good Cause" Request explains the basis for "good cause" and type of evidence which must be provided to establish the claim.

> **NOTE:** In a household with multiple NCPs, "good cause" must be requested for each NCP for whom the caretaker is claiming "good cause" exists.

The case manager must review Form 2181-WC with the client and explain the "good cause" provisions. In addition, the case manager must explain situations which may justify a determination of "good cause" and the evidence needed to validate the claim. Refer to manual section 221.2.1, "Good Cause" Situations and Acceptable Evidence for more information.

The parent/caretaker must provide verification to substantiate the "good cause" claim. If necessary, the case manager must request the verification via the Request for Information, Form 2156-WC, and allow the applicant at least ten (10) calendar days to submit the documentation. The case manager must continue processing the child care application and must not delay, deny or terminate assistance for non-cooperation with child support requirements while a "good cause" determination is pending.

If the parent/caretaker submits the documentation within the required time period, the case manager must forward the information to the appropriate CSEP office for a decision.

If the applicant fails to submit the verification within the required time period and the parent/caretaker has completed the Application for Child Support Services, forward the application to the appropriate child support office. If there is no Application for Child Support Services, the parent/caretaker must complete the Application for Child Support Services, Form 4000-EC. Refer to manual section 221.1, completing the Application for Child Support Services.

NOTE: If the parent/caretaker should reapply for child care benefits at a later date and claim "good cause", subsidy benefits must not be approved prior to receiving the "good cause" verification.

221.2.1 "Good Cause" Situations and Acceptable Evidence

"Good cause" exists in the following situations:

- The child was conceived as a result of incest or rape.

  Evidence — medical or law enforcement records indicating the circumstances surrounding the child's conception.

- Legal proceedings for the child's adoption are pending before a court.

  NOTE: Parental rights must have been terminated unless a hearing master/judge makes a "finding of fact" no child support is awarded.

  Evidence — court documents or other records.

- A licensed or private social agency is assisting the parent in deciding whether to keep the child or relinquish it for adoption.

  NOTE: Child support cooperation is required if the child has not been relinquished within three (3) months from the date discussion began. When a pregnant woman plans relinquishment, cooperation is not required unless she later decides against relinquishment.

  Evidence — a written statement of the facts from the social agency.

- The child or parent/caretaker may be physically or emotionally harmed (e.g., domestic violence) by cooperating with CSEP office in establishing parentage or collecting support.

  Evidence — court, medical, criminal, child protective service, social services, psychological, or law enforcement records, statements from mental health professionals and sworn statements from other individuals with knowledge of the circumstances, which indicate the non-custodial parent(s) might inflict physical or emotional harm on the child or parent/caretaker. If there is no such evidence, the case manager must obtain the client's statement for a social worker referral by the CSEP office.

221.2.2 "Good Cause" Determination

The "good cause" determination must be done through the CSEP office. After evaluating the evidence, the CSEP office will issue a Notice of Good Cause Decision, Form 2799-EE, to the applicant and forward a copy, along with the "good cause" verification to the child care case manager to be maintained in the eligibility case file.

"GOOD CAUSE" APPROVED

If it is determined the parent/caretaker has "good cause" for not cooperating, child support location/enforcement efforts will **not** be started or continued.

"GOOD CAUSE" DENIED

If it is determined the parent/caretaker does not have "good cause" for not cooperating, the case manager must request the parent/caretaker complete the Application for Child Support Services, Form 4000-EC. Refer to manual section 221.1, Completing the Application for Child Support Services.

221.3 Responsibilities

PARENT/CARETAKER RESPONSIBILITIES

The parent/caretaker must cooperate by:

- identifying the NCP(s); **and**
- providing all available NCP(s) information; **and**
- answering questions from the CSEP office about the NCP(s).

At a minimum, the parent/caretaker must provide the following information about the NCP(s) unless they reasonably explain why the information is unavailable or establish **"good cause"**:

- the name of the NCP(s); **and**
- information about the relationship (example: divorced, separated) with the NCP(s); **and**
- at least one of the following:
    - the Social Security number of the NCP(s); **or**
    - the last known address of the NCP(s); **or**
    - employer information (current and/or previous employer) for the NCP(s); **or**
    - the name, address and telephone number of the parents of the NCP(s).

NOTE: In minor parent cases, the minor parent must provide information regarding the NCP(s) of the minor's child(ren) and for the NCP(s) of the minor, if any.

CSEP OFFICE RESPONSIBILITIES

Services provided by CSEP staff may include:

- child support program orientation;
- processing child support enforcement applications
- locating the NCP;
- establishing paternity;
- establishing and enforcing financial and medical support obligations; **and**
- collecting and distributing child support payments.

CSEP office must:

- process child support applications and referrals for child care subsidy households;
- determine non-cooperation;
- advise the case manager if non-cooperation is established after approval;
- notify the child care case manager of the date of death of an NCP so the case manager is alerted to possible survivor's benefits (e.g., Social Security, Veteran's Administration).

NOTE: If the child care case manager receives information of the death of a custodial, non-custodial parent or their child(ren), this data must be immediately forwarded to the appropriate child support office (CSEP office).

221.4 Verification

Verification of child support status is required at initial application, reapplication and any time a change in child support occurs.

If the applicant claims they are receiving child support from another state and/or the NCP direct, verification must be received prior to the approval of child care subsidy benefits. Refer to manual section 318.2 for verification sources.

Verification can be in the form of (not all inclusive):

- Printout of the CASD screen from Nomads;
- Printout of the Overview screen from LEDGERS;
- A copy of the check(s) or a printout of payments received from the out-of-state child support office;
- A copy of a support agreement issued by a court;
- A copy of a court order which includes custody status;
- A copy of an informal (not issued by the court) support agreement signed and dated by both parents and verification the payments received by the applicant are current;
- A Cash Contribution Form 2188-WC, completed by the NCP. The NCP must sign and date the form for it to be valid;
- A written statement from the NCP which includes their name, address, telephone number, amount of child support paid and the frequency of the payments. The NCP must sign and date the document for it to be valid.
- When all other avenues of verifying child support are not available, the case manager can accept the client's statement, however, the circumstances and various attempts must be documented in the computer system. In addition, if the information provided by the client is questionable, the case manager must request a copy of the client's bank statement or checks/money orders received from the NCP which can be used to validate the client's statement.

Income

300 INCOME

301 Introduction

Income is any type of payment which is a gain or benefit to a household. When determining eligibility, income is either counted or exempt in the budgeting process. Households must fall below the maximum income limit for their household size as defined in manual section 190 to be eligible for benefits.

302 Definitions

The following terms are used:

- **Budgeting**: A procedure used to determine eligibility and amount of benefits based on the best estimate of income and circumstances which will exist in the month(s) a child care subsidy is authorized.
- **Benefit Month**: The month for which eligibility and subsidy amount is determined. Eligibility is based upon anticipated income in the benefit month.
- **Prospective Eligibility Determination and Best Estimate (BE) Budgeting**: A projection of income, household composition and other circumstances anticipated to exist in the benefit month based on verified data or the best information known at the time the eligibility/benefit determination is made.
- **Actual Income Budgeting**: Actual income is income that has already been received. Actual income is used in best estimate budgeting if it provides the best representation of the anticipated monthly income. Overpayment calculations involve budgeting actual income and evaluating circumstances which existed in the month in question.

303 General Provisions

Income is budgeted for the month in which it is anticipated to be received. Documentation of the factoring method used in the eligibility determination must be recorded in the computer system.

Regular monthly income automatically deposited directly into a financial institution (e.g., RSDI, VA, etc.) is considered received in the month intended to be received.

> **Example**: RSDI (Social Security) benefit for May is direct deposited April 28. The payment is budgeted as income for May.

When an individual receives and returns a check (e.g., UIB, RSDI, VA, etc.) to the issuing agency, determine whether to budget the payment using the following guidelines:

- If there is evidence the check was incorrectly paid and it is verified the check was returned, do not budget the amount as income.
- If the check was correctly paid and was voluntarily returned, budget the amount as income in the month received.

Budget the **GROSS** income, including tips each month. Unless listed in manual section 303.1, Income Deductions, the gross figure cannot be reduced by any deduction, voluntary or involuntary, such as child support deductions, child care deductions, insurance premiums, deductions for judgments, garnishments, federal taxes, etc.

303.1 Income Deductions

The only allowable deductions from income are:

- Repayment of an overpayment/wage advance to the same entity issuing the ongoing check; **or**
- The deduction allowance for the amount of Drug Addiction and Alcohol (DAA) Social Security Disability Income (SSDI) fee collected by the authorized representative payee; or
- The Average Cost of Care Deduction
- Child Support Payments

Refer to manual section 377.2 regarding the treatment of employer fringe benefits (cafeteria plans).

303.2 Average Cost of Care Deduction

To be eligible for the Average Cost of Care deduction, the caretaker must be related to the child requesting assistance and receiving a Child-Only TANF grant as a relative caregiver, or a Kinship Care Payment. In addition, children who are receiving subsidized child care benefits and are not eligible for TANF due to the receipt of SSI are allowed this deduction.

The deduction amounts are based upon the child's care level and are as follows:

Infant	$425.00
Toddler	$398.00
Preschool	$358.00
School Age	$209.00

The deduction(s) (one for each subsidy eligible child) must be applied to the household's gross countable income.

303.3 Child Support Deductions

Deduct child support payments that a required household member

- is **legally obligated** to pay, and
- actually pays to **or** for an individual outside the household.

> **Example**: The custodial parent is court ordered to reimburse the State of Nevada for Medicaid birthing costs for a child residing in the same household. Because the money is paid to a non-household member and it is court ordered, allow the payment as a medical child support deduction.

The payments must represent the household's child support obligation ordered by a **court or administrative authority**. Allowable deductions are:

- current support payments;
- arrearage payments;
- medical support;
- payments to third parties;
- administrative and/or processing fees/charges assigned to court-ordered child support, such as UIB fees for collecting and mailing child support, District Attorney-Family Support fees for processing support payments and employer processing fees.

Do not deduct payments for

- alimony or spousal support,
- any portion of a court-ordered medical insurance expense paid for a child who does not reside in the home and any portion the adult non-custodial parent (NCP) pays or is required to pay to cover ***themselves*** unless they are elderly or disabled. Only the amount paid for the child is an allowable deduction.

To allow the deduction, the applicant must provide verification that the required member has a legal obligation to pay, the amount of the obligation, and the actual amount paid.

Verify the household's legal obligation to pay and the obligation amount by viewing (not all inclusive):

- NOMADS Child Support records;
- court order;
- administrative order;
- legally enforceable separation agreement;
- other official document; or
- use a collateral contact with access to an official document.

Verify amounts actually paid by viewing (not all inclusive):

- CSEP, District Attorney or county registry collection and distribution records;
- NOMADS/ANSRS Child Support records;
- cancelled checks;
- wage withholding statements;
- withholding information from unemployment compensation; or
- statements from the custodial parent regarding direct payments or third party payments the household pays or expects to pay on behalf of the custodial parent.

NOTE: Documents used to verify the household's legal obligation to pay child support are **not** acceptable verification of actual payments.

When budgeting the deduction, consider any anticipated changes in

- the legal obligation, and
- other changes that would affect the payment.

NOTE: If an absent or estranged parent returns to the household and continues to pay legally obligated support (current or arrearages) and this payment is received by the Child Care household, do not budget as income and do not allow the support payment as a deduction.

Budgeting Child Support Deductions

If the required household member is just starting to pay the child support payments and the verification received is for only a partial payment, allow the verified monthly obligation only.

Example: Court order verifies monthly obligation of $500 per month plus $50 per month in arrears and the required household members first payment is made on 7/15 for $250. Allow only the $500 at approval.

If the required household member has been paying the child support, use a 60 day calendar month history and average to a monthly amount.

Example: Court order verifies monthly obligation of $500 per month plus $100 per month for medical support. The last 60 day calendar month history verifies payments made for $250, $275, $250 and $300. The total is $1,075 divided by two (2) equals $537.50 which is allowed as the monthly deduction.

304 Projected Income

Income that has not been received but is expected to be received.

Prospective eligibility and/or budgeting is always applied to future benefit months based on verified or best available data for income/household circumstances anticipated (projected) to exist.

305 Irregular and Unpredictable Income

Consider the following irregular cash income as exempt:

- Irregular and sporadic cash gifts to the child care household, for special occasions (e.g., Christmas, birthdays, graduation, anniversaries, etc.), not exceeding $30 per household member in a calendar quarter.

  NOTE: If the cash gift exceeds $30, the total amount is budgeted as income. Refer to manual section 316, Cash Gifts and Contributions.

306 Terminated Income

Income is considered terminated if it is usually received:

- Monthly or more often, but will not be received from that source the following month, **or**
- At intervals of more than one month but will not be received from that source in the next usual payment period.

Income is not terminated in the following situations:

- Someone changes jobs or positions while working for the same employer, **or**
- A self-employed person changes contracts or has different customers without having a break in their normal income cycle, **or**
- Someone receives regular contributions, but the contributions are from different sources.

The above examples show when income is not considered terminated; however, they are considered a "change of circumstance" which requires updating the "best estimate" of income.

307 Verification of Income

Current verification of countable income is required at initial application, reapplication, and any time a change in income is reported or becomes known.

Exceptions:

Income verification is not required if a NEON referral is received from DWSS. Accept the income statement that is provided on the NEON Referral, form 2728-WA.

NOTE: If the applicant provides additional verification/information which does not match the NEON referral and/or information provided by the NEON worker, the case manager must notify the appropriate NEON worker immediately of the discrepancy.

The case manager should not verify income if the amount reported makes the household ineligible. **Example:** The applicant reports monthly income of $5,000 for a household of four. This amount exceeds the maximum income limit; therefore, benefits should be denied without requesting further verification.

Verification of countable income received in the thirty (30) days prior to the interview/mail-in date is used to determine the gross monthly amount for initial and subsequent eligibility. If income fluctuates to the extent a 30-day period cannot provide an accurate estimate, income from the same source for sixty (60) days prior to the interview/mail-in date may be used.

Independent verification of exempt income is not required. Self-declaration of exempt income on the application is acceptable.

If verification of income is required but unavailable (the individual's job would be jeopardized, the employer refuses to cooperate, the business has closed, etc.), the individual's statement may be accepted. If this is done, the reason the applicant's statement was accepted **must** be documented in the computer system.

308 Documentation of Income

Verification and computation of all household income must be documented in the computer system at initial application, reapplication, or any time a change is reported or identified.

309 Income Limits

Gross countable income may not exceed the following limits for the applicable household size.

Maximum Income Standard – 75% of the State Median Income

The maximum income standard is 75% of the state median income. The case manager must apply this test to all households in the application month.

The household is ineligible if the total countable gross income of all members, less any allowable deductions per manual section 303.1, exceeds the maximum income standard for the household size. Refer to manual section 190 for income limits.

130% of Federal Poverty Level

130% of Federal Poverty Level is the income limit that determines which funding category should be debited for services. If the household is not eligible for NEON funding as described in manual section 181, and their income is less than or equal to 130% of Federal Poverty, they must be paid from the At-Risk funding category. If the household's countable income exceeds 130% of Federal Poverty, they must be paid from the Discretionary funding category.

310 TYPES OF INCOME

When determining eligibility, count any income not specifically listed as exempt. Refer to manual section 390 for budgeting procedures unless specified budgeting is explained with the income type (i.e. child support, self-employment, etc).

ALPHA LISTING OF TYPES OF INCOME AND INCOME STATUS

The following alpha list of income types contains coding to quickly determine whether income is countable or exempt. The manual location is provided for quick reference to policy to ensure an accurate evaluation of income is made for budgeting purposes.
Coding Key:

Y = Countable
E = Exempt
M = May be countable, refer to specific manual section for further information.

INCOME TYPE	COUNTABLE	MANUAL SECTION
Adoption Subsidies	Y	311
Advances	Y	377.1
Alimony	Y	314
Blood Donations	Y	315
Cash Gifts and Contributions	M	316
Child Support	Y	317
Contractual and Seasonal Earnings	Y	318
Crime Victim's Compensation Payments	E	319
Disability Insurance Benefits	Y	320
Dividends	Y	321
Earned Income Tax Credit (EITC)/Income Tax Refund	E	322
Educational Assistance	E	323
Energy Assistance	M	324
Family Preservation Programs (FPP)	M	336
Flexible Fringe Benefits	M	377.2
Food Stamps	E	327
Foster Care Payments	N	328

INCOME TYPE	COUNTABLE	MANUAL SECTION
Gambling Winnings	Y	344
Gift Certificates	E	330
Government Disaster Payments	M	331
Government Sponsored Programs	M	332
Incentive Payments	M	333
Independent Living Payments	Y	334
Indian General Assistance (IGA)	Y	371
Individual Development Account (IDA)	M	335
In-Kind Income	Y	337
Interest	M	338
Job Training and Training Allowances	E	339
Jury Duty	Y	341
Kinship Care Payments	Y	342
Loans	E	343
Lump Sum Payments	M	344
Military Pay and Allowances	Y	345
National and Community Services Act (NCSA)	M	347
Native and Indian Claims	E	348
Nutrition Programs	E	349
Panhandling or Income from Begging	Y	350
Pensions	Y	351
Property Income (Rental/Lease)	Y	352
Radiation Exposure Compensation Act Payments	E	353
Reimbursements	M	354
Relocation Assistance	E	355
Retirement, Survivors and Disability Insurance Benefits (RSDI)	Y	356
Retroactive Payments	M	344
Roomer/Boarder Income (Non-commercial)	M	358
Royalties	Y	359

INCOME TYPE	COUNTABLE	MANUAL SECTION
Self-Employment	Y	360
Self-Sufficiency Grant Program (SSG) (non-assistance TANF cash)	N	366
Sibling Income for Employment	M	361
Stepparent Income	Y	362
Subsidized Housing Assistance	E	363
Supplemental Security Income (SSI)	E	364
Supported Living Arrangement (SLA)	M	336
Temporary Assistance for Needy Families Grants (TANF)	Y	366
TANF Loan Program (non-assistance TANF)	N	366
TANF Temporary Program (non-assistance TANF cash)	Y	366
Temporary Disability Insurance	Y	367
Temporary or Ongoing Assistance from Other Agencies/Organizations	M	368
Third Party Beneficiary	M	369
Tips	Y	370
Tribal Assistance	Y	371
Trust Funds	M	372
Unemployment Insurance Benefits (UIB)	Y	373
Vendor Payments	E	374
Veterans Administration Benefits (VA)	Y	375
Victims of Nazi Persecution Payments	E	376
Wages, Salaries and Commissions	Y	377
Work Study	E	378
Workers' Compensation	Y	379
Workforce Investment Act of 1998 (WIA)	M	380

311 Adoption Subsidies

A monthly cash benefit paid to the adoptive parents of a child involved in a "special needs" adoption. The subsidy is based on the needs of the child, not the adoptive parents and may or may not change year to year. Not all adoptions receive subsidy benefits.

Count as income for the intended child as long as the child is included in the child care household.

312 Advances

Refer to manual section 377.1, Wages, Salaries and Commissions.

313 RESERVED

314 Alimony

Count as income.

315 Blood Donations

Count as income.

316 Cash Gifts and Contributions

Count cash gifts or contributions as income unless they are specifically exempted or subject to other income exemptions or disregards.

If the contribution is intended for more than one person, prorate it among everyone for whom it was intended.

Exempt gifts or contributions if they meet all the criteria below:

- Cash gifts which total $30 or less in a three-month period (benefit month and previous two months) for each household member, and
- Received too irregularly to be reasonably anticipated. Reasonably anticipated means the applicant knows:
  - Who it will come from,
  - What month it will be received, **and**
  - How much it will be.

Exception: Budget contributions from household members not receiving Child Care subsidy benefits, as explained in manual section 316.1.

316.1 Contributions From Household Members Not Receiving Child Care Subsidy

Determine whether a contribution from a household member not applying for or receiving subsidy benefits with other household members is countable using this policy, unless the non-assisted person's income is specifically exempt by another policy.

If an individual not receiving subsidy benefits with other household members makes payments to the household receiving subsidy benefits because of a formal or informal landlord/tenant relationship, determine countable income according to the roomer/boarder policy in manual section 358.

If the same individual lives in the home of a household receiving subsidy benefits and shares household expenses (not a landlord/tenant relationship), exempt any payment made for common household expenses (including food, shelter, utilities, and items for home maintenance). Any additional payments for use by an eligible household member are contributions.

317 Child Support

Child support received by the child care household is countable income. Generally, payments from a non-custodial parent (NCP) are considered child support and are the income of the recipient, regardless if the support is intended for another individual (i.e., the child). This includes court-ordered medical payments paid directly to the applicant/client from a non-custodial parent.

Count as household income payments made by the NCP directly to the applicant/recipient's creditor or person providing the service in lieu of child support payments. To ensure a fair representation of the child support obligation is being budgeted, the state guideline formula used to determine a recommended monthly support obligation amount for current and past-due support through stipulation or petition to the court can be used. The guideline formula is:

18% of gross monthly income for one child;
25% of gross monthly income for two children;
29% of gross monthly income for three children;
31% of gross monthly income for four children; and
2% is added for each additional child beyond four children.

The applicant's statement on an estimate of the non-custodial parent's monthly gross income would be acceptable verification to determine the monthly obligation. If the applicant does not provide a statement, the full amount will be counted.

Example: Applicant reports NCP is paying $1,600 per month for the house payment and pays the applicant $200 per month direct child support. Applicant has two children and estimates the NCP's monthly gross income is $4,000. $1,000 would be the total amount of child support (25% of $4,000 is $1,000) budgeted.

Count as household income any portion of child support received for a family member who no longer resides in the home and is retained by the participating household.

Do not count child support returned to a non-assisted household member unless their income is budgeted to determine eligibility of other household members. Do not count as income court ordered medical cash support turned over to, retained, or intercepted by Medicaid to offset Medicaid expenditures for the child in the support order.

NOTE: Child support should be listed in the computer system under the recipient's name, not the child's name.

Cash gifts from a non-custodial parent, which are received for special occasions (i.e., Christmas, birthdays, graduation, etc.) are exempt and not considered child support when:

- The current support or arrears obligation has been met, and
- The money is specifically earmarked as a gift.

317.1 Lump Sum Child Support Payments

Count lump sum payments for child support arrears received for an eligible child as a non-recurring lump sum (see manual section 344).

Child support payments considered to be lump sum payments are received from the following sources:

- IRS intercept program
- Insurance settlements
- Financial institution attachment

317.2 How to Verify Child Support Payments

Verification can be in the form of (not all inclusive):

- NOMADS verification – use the ACDT screen
  NOTE: CUPS is no longer a valid verification of child support payments
- A copy of the applicant's Debit Card statement
- A printout of the CST Payment Record screen from Ledgers on the Web (LOTW)

- A copy of the check(s) or a printout of payments received from the out-of-state child support office.
- A copy of a support agreement issued by the court that reflects the current amount of support received or to be received by the applicant. The applicant's statement should correspond to the amount on the court order.
- A copy of an informal (not issued by the court) support agreement signed and dated by both parents.
- A Cash Contribution, form 2188-WC, completed by the NCP. The NCP must sign and date the form for it to be valid.
- A written statement from the NCP which includes their name, address, phone number, amount of child support paid and the frequency of the payments. The NCP must sign and date the document for it to be valid.
- When all other avenues of verifying child support are not available, the case manager can accept the applicant's statement, however, the circumstances and various attempts must be documented in the computer system. In addition, if the information provided by the applicant's is questionable, the case manager must request a copy of the applicant's bank statement and/or checks/money orders received from the NCP which can be used to validate the applicant's statement.

317.3 How to Calculate Child Support Income

If there is court order for child support payments to be paid monthly, use the most recent 30 day **calendar** month (or sixty (60) day **calendar** months if the payments fluctuate to the extent a 30-day period cannot provide an accurate estimate) to determine the monthly gross income.

> **Example:** Interview/mail in date is 7/24; evaluate 6/1 to 6/30 for 30 days or 5/1 to 6/30 for 60 days.

There are some circumstances which require the average of child support income; however, each case must be individually evaluated for the correct budgeting method. Refer to manual section 391 for information on factoring income to determine a monthly amount.

Do not factor child support income if:

1. There is a court order which specifics the monthly garnishment payment will never go over a specified amount per month.

   > **Example:** Court ordered amount is $500/month with arrears of $50/month. The history verifies two payments made in the month of $275 each. Budget $550 and do not factor the income.

Do factor child support income if:

1. The applicant receives regular weekly or bi-weekly payments. A court order will sometimes allow the obligation to be annualized and garnished every payday.

   Example: The applicant receives $130 every two weeks from NCP - $130 x 2.15 = $279.50

2. The applicant regularly receives money above the monthly child support obligation.

   Example: The child support order specified $200/month child support and $10/month in arrearages. The applicant has a long history of receiving $60/week. SEP is applying the extra child support obligation received to the arrearages and forwarding the monies to the applicant. In this case, factoring is the best method to determine a monthly amount.

If the support payments are irregular in amount **and/or** frequency, an average is the best available method for determining the best estimate of anticipated monthly income. Refer to manual section 392 for determining the best estimate of actual income. Prudent worker judgment must be practiced; therefore, the reasoning behind the decision of how a best estimate or projection of income was determined must be documented in the computer system.

If court documents verify the NCP is required to pay monthly support, however the applicant and the NCP have a mutual agreement that the applicant will accept a specified amount to cover a specified time period, divide the amount received by the monthly obligation and use this amount as a monthly amount for the number of months it would cover if the NPC were paying the obligated amount monthly.

Example: NCP's monthly child support obligation is $400 per month and applicant has agreed to accept $4500.00 in April to cover the next 12 months. $4500 divided by $400 equals 11.25. $400 per month would be budgeted for 11 months (April through February) with the remaining $100 budgeted in the 12th month (March).

Newly Established Child Support Payments: For child support payments with no payment history, the court order along with the NCP and/or applicant statement(s) would be used to determine the amount of child support the household anticipates to receive. If the court order specifies payments are to be made other than monthly (weekly, bi-weekly, etc), refer to manual section 391 to determine how to convert the amount to monthly.

318 Contractual and Seasonal Earnings

Contractual earnings are wages and salaries only. Self-employment income, or income received on an hourly or piecework basis are not included. The two basic types of contractual earnings are:

Contractual employment — Non-seasonal if contracted for a specific amount of time and does not recur. Prorate earnings over the period of time covered by the contract.

Example: The individual has a contract to perform a job or task within a certain time period for a set amount of wages. The amount of wages is not contingent on the number of hours worked.

Seasonal employment — Available only during certain months of the year and recurs each year.

Examples: School-related employment, certain types of farm work, sharecroppers, and summer or winter employment.

Prorate seasonal employment that is a household's annual means of support over twelve (12) months. If the income supports only a portion of the year and the household supplements its earnings from other sources the rest of the year, average the earnings over the period of time they are intended to cover.

Example: A bus driver has a contract with the school district to drive for two or more school years. The contract has a set amount of wages for each year. The set amount is not contingent on the number of hours worked. This is considered seasonal contractual earnings because the driver only works for part of the year.

318.1 Monthly Budgeting of Contractual Earnings

To budget contractual earnings monthly,

1. Divide the total gross amount of earnings provided in the contract by the number of months the contract covers or by twelve (12) months, whichever is applicable.
2. Compute the total work-related expense deductions for the number of months actually worked. Then divide by the number of months over which they will be prorated.
3. Subtract the results in item 2 from the result in item 1.
4. This is the amount to be used for the monthly income from contractual earnings.

NOTE: If the income is not received as stipulated in the contract or labor disputes interrupt income, do not apply steps 1 through 4. If the employment situation changes, recompute the income, adjust the benefits, and document all the facts that caused the re-computation.

319 Crime Victim's Compensation Payments

Crime Victim's Compensation Payments are payments from the funds authorized by state legislation to assist a person who:

- Has been a victim of a violent crime;
- Was the spouse, parent, sibling, or adult child of a victim who died as a result of a violent crime; or
- Is the guardian of a victim of a violent crime.

The payments are distributed by the Victim's of Crime Division in monthly payments or in a lump sum payment and may be designated to cover clothing, rent, utilities, food, transportation, medical needs or replacement costs, etc.

Exempt any payments received on a monthly basis or in a lump sum.

320 Disability Insurance Benefits

Count as income.

321 Dividends

Count as income.

322 Earned Income Tax Credits (EITC)/Income Tax Refund

Households with tax dependents and earnings below certain established levels are potentially eligible for EITC payments. The EITC money may be included in:

- An employee's paycheck (advance EITC payments) before their income tax return is filed, or
- The household's income tax refund.

Exempt EITC payments and income tax refunds from income.

323 Educational Assistance

Educational assistance is any financial aid for vocational or educational courses from:

- An organization (such as fraternal, alumni, etc.).
- A government program or agency (such as U.S. Office of Education, Veteran's Administration).

Most educational assistance programs are administered through the U.S. Office of Education under Title IV of the Higher Education Act. Some of the most common programs are:

- Pell grants
- Stafford Loan Program
- Parent Loans for Students (PLUS Loans)
- Supplemental Educational Opportunity Grants (SEOG)
- College Work Study (CWS)
- Carl D. Perkins Loans (Title IV, Part E) (formerly National Direct Student Loans)

Educational assistance is also provided by the National Community Services Act (NCSA) program. Individuals are awarded from $1,000 to $4,000 per year of completed services to apply toward past or future educational expenses. Do not count the educational award, as it is always made payable directly to the financial institution or institution of higher learning.
Educational assistance, including work-study (manual section 378) and loans are exempt income and not used to determine eligibility.

324 Energy Assistance

Energy or utility assistance (payments and supplements) are paid to or on behalf of households receiving child care subsidy benefits from various governmental and private sources. The assistance may be in the form of cash, vendor, in-kind or two-party check payments.

Use the following chart to exempt or count this assistance as income.

SOURCE	TYPE PAYMENT	CHILD CARE
federally-funded, state-administered programs (Low Income Home Energy Assistance [LIHEA], one-time weatherization, or emergency repair or replacement of heating or cooling devices, LEAP and Energy Crisis Intervention Program [ECIP])	• vendor • in-kind • two-party check • cash	exempt
government-funded utility supplement (federal or state) or local housing authority	• vendor • in-kind • two-party check	exempt
	• cash	exempt
local government payments	• vendor • in-kind • two-party check	exempt
	• cash	exempt
private nonprofit organization (based on need)	• vendor • in-kind • two-party check	exempt
	• cash	count per manual section 316

NOTES:

- If an excludable energy assistance payment is combined with other payments, exempt only the energy assistance portion from income.
- Income from state or local general assistance, which (under state law) cannot be provided in cash directly to the household, is excluded as income.

325 Reserved

326 Flexible Fringe Benefits

Refer to Wages, Salaries and Commissions, manual section 377.2.

327 Food Stamps

Exempt income.

328 Foster Care Payments

Foster Care Payments received for a child residing in the home are not considered when determining eligibility. However, all household income information must be entered into the Household Income Details screen in NCCS.

329 Gambling Winnings

Count as lump sum income in accordance with manual section 344.

330 Gift Certificates

Exempt income.

331 Government Disaster Payments

Exempt government payments, such as Small Business Administration (SBA) loans and Individual and Family Grant (IFG) funds, made available to restore a home and personal possessions damaged in a disaster if the household is subject to legal penalties when the funds are not used as intended.

332 Government Sponsored Programs

Count payments from government-sponsored programs unless exempted by other policy in the income section.

333 Incentive Awards

Countable income if it is cash or included in the gross income on the paycheck.

334 Independent Living Payments

The Independent Living Program is designed to prepare foster teens to move out on their own following the end of Division of Child and Family Services (DCFS) custody and successfully live independently as an adult. Once custody has ceased, due to emancipation, these young adults may continue to receive limited financial assistance based upon need and available funding.

TEEN AGE 16 TO 18 – IN THE CUSTODY OF DCFS

These foster teens have entered into a written agreement with DCFS who will assist them in the preparation for self-sufficiency. Payments are made from state funds and can be made to:

- The foster parent, if the teen is living in the foster home; or
- The foster teen, if they are living in an independent home.

Assistance continues until:

- Legal custody is terminated at age 18 or completion of high school; **or**
- The foster teen demonstrates a general inability to meet the requirements of the programs or terms of the contract.

  NOTE: This applies only when they are living in an independent home. The teen would then be returned to a foster home.

This financial assistance is countable income.

Independent Living Program Incentive Grants

Funds may be available for assisting the foster youth in accomplishing the self-sufficiency plan. Funding for these grants is extremely limited but can pay for items such as, but not limited to:

- Items related to education, either high school, vocational training, or post secondary, such as summer school, tutoring fees and some extracurricular activities related to education, i.e., athletic program fees and equipment, uniforms, etc.
- Items related to vocational training, including tuition, books, fees and equipment for school.
- Psychological services such as individual or group counseling.
- Subsidized apprenticeships for those foster youth who are hard to place in employment opportunities. These apprenticeships can be arranged with potential employers willing to employ the foster youth on a trial basis.

These grants are not countable income.

YOUNG ADULTS AGE 18 TO 21 – EMANCIPATED FROM CUSTODY

Payments are made from Chaffee Foster Care Independence Act, Title IV-E funds and are paid to certain young adults who have exited the foster care system because they have reached the age of 18 and are under 21. DCFS has entered into agreements with specific providers to offer services to this group of youth. The services include assistance with room and board when the youth is unable to meet those needs, vocational and educational counseling, and crisis management.

These funds are countable income.

335 Individual Development Account (IDA)

The use of Individual Development Accounts (IDAs) is intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. Federal funds match the amount of earnings low-income working individuals and families deposit into an IDA. IDA savings are to be used for a first home purchase, post secondary educational expenses, or business capitalization.

The Social Security Act provides for State Family Assistance Grant funds to be used to establish IDAs. State Family Assistance Grant funds are (not all inclusive):

- Temporary Assistance for Needy Families (TANF); **and**
- Welfare-to-Work (WtW)

The Assets for Independence Act (AFIA) provides for IDAs to be established under:

- Head Start; **and**
- Low Income Home Energy Assistance (LIHEA); **and**
- Community Services

Exempt the following while the individual is participating in the IDA program:

- Matching funds deposited into an established IDA; **and**
- Interest accruing on the matching funds; **and**
- Funds (earnings) deposited and interest earned by the individual.

336 Family Preservation Program (FPP)/Supported Living Arrangement (SLA)

Family Preservation Program (FPP) payments and Supported Living Arrangement (SLA) payments are funds authorized by state legislation to assist individuals with disabilities or mentally disabled SSI individuals, so they can live in the community.

FPP and SLA payments are administered and distributed by the Nevada State Division of Mental Health Development Services (MHDS) for:

- Persons with profound or severe mental retardation; **or**
- Children under the age of 6 years with development delays.

Most FFP or SLA payments are received in more than one cash or vendor payment. In these multiple payment situations, exempt any portion of the payment that is deducted or recouped as a case manager service fee and exclude

- payments equal to the difference between the payment allowance and the 100% need standard when the payment is for items not included in the need standard, or the payment supplements the need standard; **and**

Household Size	100% Need Standard (Eff. 4/1/2009)
1	$ 677
2	911
3	1,144
4	1,378
5	1,612
6	1,846
7	2,079
8	2,313

Add $234 for each additional person

- Payments to or received on behalf of an SSI recipient, **and**
- Payments for medical needs that are not paid by Medicaid, **and**
- Vendored SLA payments.

SLA vendor payments and reimbursements for receipted expenditures are not considered income. MHDS may also refer to SLA as Supplemental Living Assistance; however, this is the same as Supported Living Arrangement.

Copies of *"Service Agreements - Supported Living Arrangement"* must be obtained from applicants to determine which expenses are being supported/supplemented with SLA payments and those expenses the applicant is responsible for based on the household income/need. The service agreement is an agreement between the applicant, provider and MHDS. The agreement identifies established SLA program dollar allowances for specific expenses and also states the financial responsibility for both the applicant and state.

For example:

- The SLA service agreement shows a specific allowable rent amount of $400 with the applicant responsible for $311 and a deficit of $89, which is identified as the SLA payment. The $89 SLA payment is countable income, unless the rent expense is vendored.
- The food expense is set at $125 for one person, with applicant responsibility noted as $125 because they receive maximum Food Stamp benefits for a one-person household and no SLA payment noted. There is no SLA food expense payment in this situation because the applicant received maximum Food Stamp benefits.

If questions should arise about an MHDS service agreement with an applicant, contact the issuing SLA agency for clarification.

337 In-Kind Income

Count the value of work performed in exchange for benefits such as room, board, rent or other needs as income.

338 Interest

Interest from a trust account is countable income. All other interest is exempt.

339 Job Training and Training Allowances

Payments from other agencies for training-related expenses are exempt.

> **NOTE:** If the payment is for training and monthly maintenance, exempt only the portion for training.

340 Reserved

341 Jury Duty

Count as income.

342 Kinship Care Payments

Payments made by DWSS to individuals, age 62 and older, who have legal guardianship of a related TANF child, and the caretaker is **not** receiving TANF benefits are considered countable income. However, the household may be eligible for the Average Cost of Care deduction, refer to manual section 303.2.

343 Loans

Consider financial assistance a loan if:

- There is an understanding the money will be repaid, **and**
- The borrower can reasonably explain how the loan will be repaid.

Exempt financial assistance considered a loan. Count assistance which is not considered a loan as income.

344 Lump Sum Payments

Lump sum payments include, but are not limited to, retroactive benefit payments (RSDI, UIB, VA, etc.), insurance settlements, awards or settlements received for personal injury, inheritance, winnings, wage bonuses, employment severance pay, etc. Child support arrear payments received from the following sources are considered lump sum payments:

- IRS intercept program
- Insurance settlements
- Financial institution attachment

EXCEPTION: If a wage bonus is received on a regular basis (weekly, bi-weekly, or monthly), it would not be considered a lump sum payment. Wage bonuses received on a regular basis would b factored in the monthly income best estimate calculation.

Nonrecurring lump sum payments are any payment(s) received in a month, made from a source that is not likely, in the foreseeable future, to make additional lump sum payments to the household. Lump sum payments may be received in one or more individual checks but are considered a lump sum if all money received is a part of the <u>whole</u> payment due.

<u>Timely Reporting</u>

If a lump sum payment renders the case ineligible, the household should be considered ineligible for 30 days following the date reported.

If a lump sum payment does not render the household ineligible, it may change the applicant's co-payment percentage for 30 days following the date reported.

NOTE: If the applicant reports receiving a lump sum after submitting an application but prior to approval, which makes them ineligible, the case manager must deny benefits for 30 days from the application receipt date. The certification period can start following the 30 day ineligible period, if all other eligibility requirements are met. Both actions may be noted on one Notice of Action form, 2158-WC.

Untimely Reporting

If a lump-sum payment is not reported timely, the case is evaluated for an overpayment for a 30 day period starting from the date the lump sum was received. See manual section 700 for calculation and collection of overpayments.

If a lump sum is provided to assist with burial, legal, medical bills or replacement of damaged or lost possessions, disregard from the lump sum any amount earmarked and used for the purpose for which it was paid. A copy of the settlement may be requested to verify earmarked expenses if it is questionable the expenses are related to the lump sum.

345 Military Pay and Allowances

Military pay includes Basic Pay (BP), Proficiency Pay (PRO), Basic Allowance for Quarters (BAQ), or Basic Allowance for Subsistence (BAS).

Count military pay and allowances for housing, food, base pay and flight pay as income.

346 Reserved

347 National and Community Services Act (NCSA)

The National and Community Services Act (NCSA) of 1993 established a corporation to administer paid volunteer service programs. The corporation provides funds, training, and technical assistance to states and communities to develop and expand human, education, environmental, and public safety services.

The corporation oversees existing programs created under the Domestic Volunteer Service Act (DVSA) of 1973, (PL 93-113) such as

- Volunteers in Service to America (VISTA),
- Retired Senior Volunteer Program (RSVP),
- Foster Grandparents,
- Senior Companions,
- Community Service Employment Program (includes Senior Citizen Service Employment),
- Service Corp of Retired Executives (SCORE),
- Active Corps of Executives (ACE), **and**
- Mini Grant Program

Exempt payments received by DVSA volunteers unless the Director of ACTION determines the value for such payments for the number of hours served is equal to or greater than the federal or state minimum wage, whichever is greater.
Budget income as follows for household members who participate in the new community service volunteer programs:

- Count living allowances (stipends) and gross pay received by an adult volunteer.

The corporation also administers new programs that include:

- AmeriCorps*VISTA (for participants 17 years and older)
- AmeriCorps*VISTA (for participants 18 years and older)
- AmeriCorps*NCCC (for participants 16 to 24 years old), **and**
- Youth Corp and Learn and Serve.

NOTE: ALL AMERICORPS PAYMENTS ARE EXEMPT.

348 Native and Indian Claims

Exempt distributions from Native Corporations made under the Alaska Native Claims Settlement Act, ANCSA, (PL 92-203 and Section 15 of PL 100-241) as follows:

- Cash up to $2,000 per person per year,
- Stocks,
- A partnership interest,
- Land or an interest in land, **or**
- An interest in a settlement trust.

The following funds distributed per capita or held in trust by the Indian Claims Commission for members of Indian tribes are exempt:

- Grand River Band of Ottawa Indians (PL 94-540).
- Income to certain tribal members from land held in trust by the United States government (PL 94-114, Section 6).
- Income resulting from provisions of PL 92-254.

Exempt funds distributed by the Secretary of Interior to tribal members from

- Tribal trust funds on a per capita basis (PL 98-64), **or**
- Judgment funds from claims against the United States and held in trust or distributed on a per capita basis (PL 93-134, as amended by PL 97-458).

Exempt the following payments by the Indian Claims Commission to

- The Passamaquoddy Tribe, the Penobscot Nation, and the Houlton Band of Maliseet Indians or any of their members (Maine Indian Claims Settlement Act of 1980, PL 96-420, Section 9(c).
- The Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (PL 95-433).
- The Seneca Nation or its members (Seneca Nation Settlement Act of 1990, PL 101-503).

349 Nutrition Programs

Exempt the value of supplemental food assistance under the Child Nutrition Act of 1966 and under the special food service program for children (the National School Lunch Act).

Exempt benefits received under Title VII, Nutrition Program for the Elderly, of the Older Americans Act of 1965.

350 Panhandling or Income from Begging

Count as income.

351 Pensions

A pension is any benefit derived from former employment (such as retirement benefits or a disability pension). Count as income.

> **NOTE:** RSDI (manual section 356), VA (manual section 375), and Railroad Retirement benefits are pensions.

352 Property Income (Rental/Lease)

Consider income from property (non-liquid resources such as equipment, vehicles, real property), whether from renting, leasing, or selling on an installment plan, as countable income.

If the household member sells property on an installment plan, count the payments as income. Exempt the balance of the note as an inaccessible resource.

353 Radiation Exposure Compensation Act Payments

Exempt payments from the Radiation Exposure Compensation Act, Public Law 101-426.

354 Reimbursements

Reimbursements are considered countable income unless noted otherwise in another manual section or the reimbursements (not to exceed the incurred expense) are provided specifically for past or future expenses which are:

- Medical insurance reimbursements for expenses previously paid by the household; or
- From an employer for business expenses.

Count any excess as income. If the reimbursement is a flat allowance for the expense incurred, the entire amount is exempt.

355 Relocation Assistance

Exempt payments provided under:

- Title II of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970.
- Title I of Public Law 100-383. These payments are made to Aleuts or individuals of Japanese ancestry (or their heirs) who were relocated during World War II.

356 Retirement, Survivors and Disability Insurance Benefits (RSDI)

RSDI is a program administered by the Social Security Administration for individuals who have earned benefits based on their work history and earnings. Benefits are earned on a quarter/credit basis. The term quarter means the 3-calendar month periods ending with March 31, June 30, September 30 and December 31 each year. Social Security credits are earned by working at a job or as a self-employed individual. A maximum of four (4) credits may be earned each year.

Benefits are paid to beneficiaries based on the Social Security earnings of the retired, disabled or deceased worker. Benefits may be payable to the claimant and certain family members (i.e., spouse, dependent children, etc.).

Count the amount of the entitlement (including the amount deducted from the check for the Medicare premium), less any amount that is being recouped for a prior overpayment, as income.

> **NOTE**: Do not count RSDI, VA, or other benefits, which a member of the childcare household is entitled to receive, if the benefits are paid to someone outside the home and the benefits are not made available to the household member. Count only the amount made available either in cash or by vendor payment. If the benefit is paid to someone in the home other than the member who is entitled to receive it and the payment is intended to cover living costs for the person entitled to the benefit, count the entire amount.

357 Retroactive Payments

Refer to manual section 344, Lump Sum Payments.

358 Roomer/Boarder Income (Non-commercial)

Roomer/boarder status is given to an individual who is not a required household member and is paying the applicant to reside in their residence. Roomer/boarder payments are countable income as long as they are considered a profit to the household. In addition, the applicant must be the homeowner.

Do not give roomer/boarder status to

- Anyone whose income can be applied to the child care household, **or**
- Any person who is involved in a relationship with the parent/caretaker (i.e., boyfriend, girlfriend, etc), **or**
- A dependent child who is an ineligible alien; **or**
- Any individual who is merely sharing expenses (i.e. the rent is $500.00 and the individual pays $200 towards rent) and the parent/caretaker is not making a profit.

Income from boarders includes all payments for room, meals, and other shelter expenses. Income from roomers includes payments only for room and other shelter expenses.

If the household receives roomer or boarder payments, exclude the portion of each monthly payment that is a cost of doing business. Business expenses may include interest on the mortgage, property taxes, maintenance/repair costs, insurance on structure, advertising and utilities when paid by the applicant. Rental expenses are prorated in roomer/boarder situations. Prorate expenses based upon the number of rooms designated for rent compared to the number of rooms in the house. Do not count bathrooms, basements or attics.

Verification of roomer/boarder income can be a copy of a receipt book, personal check, money order, or tenant's statement of payment. Do not allow expenses if they are not verified.

358.1 Income From Household Members Not Receiving a Child Care Subsidy

If a non-assisted household member makes payments to an assisted household member based on a formal or informal landlord/tenant relationship, determine countable income according to the roomer/boarder policy in manual section 358. Otherwise follow policy in manual section 316.1 for contributions.

> **NOTE**: Money transferred between individuals within the same household for shelter expenses is not considered income unless the income is from a roomer/boarder.

359 Royalties

Count as income.

360 Self-Employment

An individual is self-employed if engaged in an enterprise for gain, either as an independent contractor, franchise holder, or owner-operator. This includes individuals working as an Avon, Mary Kay or Tupperware representative or a newspaper delivery person. Individuals are not considered self-employed if income taxes or FICA is withheld from the individuals' earnings.

Self-employment income is budgeted as any other income; therefore the income and expenses must be verified. Use the previous thirty (30) calendar day or sixty (60) calendar day history income and expenses to determine a monthly amount.

> **NOTE**: Annual or quarterly income tax statements or updated business records/accountant records can be used.

360.1 Self-Employment — Budgeting Procedures

Determine monthly countable income based on the individual's income from self-employment and cost of doing business. If there are anticipated changes in income, expenses or both, use this information to determine the monthly amount of self-employment income.

1. Total all gross self-employment income (including the full amount of a capital gain) for the period of time over which self-employment is determined.

   Capital gain is the financial profit from a sale or transfer of capital assets (accumulated possessions such as products, raw materials, equipment, or ownership of a business).
   When calculating self-employment income, add any capital gains the household expects to receive during the certification period to determine monthly countable income. Use this amount for the entire certification period unless a new average is computed because the individual received an unanticipated capital gain or a different amount than anticipated.

2. Determine net self-employment income by subtracting allowable costs of producing the income (**Examples:** labor, sales tax, stock, raw materials, advertisement, insurance premiums, utilities, repairs that maintain income-producing property, supplies, fuel, linen service, property tax and interest from business loans on income-producing property).

   NOTE: Yearly expenses, such as business license fees, can only be counted as an expense in the month the expense occurred.

   If receipts are not provided for expenses, the expense is not allowed.

   NOTE: Fuel expenses are not allowed without a detailed mileage record/log or other documentation showing beginning and ending mileage, and destination, which supports the expense. The current mileage allowance is 48.5 cents per mile.

   Do not deduct:

   - Payments on the principal of loans for income-producing property;
   - Capital asset purchases, such as real property, equipment, machinery and other durable goods;

- Capital asset improvements;
- Net loss which occurred in a previous period;
- Work-related expenses, such as federal, state and local income taxes, retirement contributions, and travel to and from the place of business;
- Depreciation;
- Costs that are not related to the self-employment; e.g., entertainment, personal transportation costs.

If the applicant conducts a self-employment business in his home, do not consider the cost of the home (rent, mortgage, utilities) as a business expense, unless it can be identified separately as necessary for the business.

Do not deduct a self-employment net financial loss from other household income.

360.2 Verification of Self-Employment Income

Business records and income tax forms are the ideal source of verification. However, if this information is not available or current, use of the Self-Employment worksheet is acceptable if the income and expenses cannot otherwise be verified by collateral contacts or documentary information. If gross income is not received for a period of thirty (30) calendar days or more, the household is not eligible. Furthermore, if the applicant claim little or no income, verification of how they are meeting their monthly obligations must be requested via the Request for Information, form 2156-WC. If the household fails to provide verification, their child care benefits must be denied-terminated. If the household provides the verification and it appears questionable, the case must be referred to I&R for an investigation.

The following must be documented in the computer system:

- The method used to calculate countable self-employment income,
- Deductions for the costs of doing business,
- The number of hours engaged in the enterprise, **and**
- Other factors used to determine the amount of income.

If the only source of verification used is the Self Employment Worksheet, document the reason in the computer system.

361 Sibling Income from Employment

Exempt wages received by a sibling who is attending high school, unless the child's earnings cannot be separated from that of the other household members. In that instance, prorate total earnings equally among the working members and exempt the sibling's portion.

For siblings over the age of eighteen (18) and not attending high school, evaluate the living arrangements (roomer/boarder status) per manual sections 358 & 358.1.

362 Stepparent Income

Count as income as long as the stepparent is included in the child care household.

363 Subsidized Housing Assistance

The value of government housing and other rental subsidies, whether cash, two-party check, in-kind or vendor paid is exempt income.

Subsidized housing may be provided by the following entities:

- Clark County Housing Authority
- FmHA Rental Assistance
- Indian Self-Help Housing
- Las Vegas Housing Authority
- North Las Vegas Housing Authority
- Reno Housing Authority
- Nevada Rural Housing Authority
- U.S. Department of Housing and Urban Development

NOTE: The Manufactured Housing Division's **lot rent** subsidy program for qualifying low-income mobile homeowners is not considered subsidized housing assistance because it is not a **housing** subsidy.

364 Supplemental Security Income (SSI)

SSI is a program administered by the Social Security Administration for individuals who are aged (65 or older) or disabled (any age) and have resources and income below allowable maximums.

Exempt the income of an SSI recipient if they are a required member of the child care household. If other SSI recipients live in the residence and contribute to a member of the child care household, follow the contributions policy in manual section 316.1. Exempt any retroactive SSI payments.

365 Reserved

366 Temporary Assistance for Needy Families Grants (TANF)

The TANF program has been restructured to include five TANF programs: NEON Program, Child-Only Program, Self-Sufficiency Grant Program, Loan Program and Temporary Program.

- NEON Program

  The NEON Program is a work program for households containing work eligible individuals. This is a TANF Cash Assistance Program. A NEON Child Care Referral, form 2728-WA is required for all work eligible caretakers. There are three types of NEON cases:

  TN – a household with only one work eligible caretaker; this household may include a step-parent, ineligible alien parent or SSI parent who is not work eligible per TANF criteria but the member would require a purpose of care;
  TN1 – a household with two parents where one parent is work eligible and one parent is temporarily disabled; Child care staff may be required to verify the disability precludes the parent from caring for the child(ren); and
  TN2 – a household with two work eligible parents; TANF policy may preclude one parent from receiving TANF cash assistance but both parents are work eligible.

Count the total amount of the TANF grant as income in the month received.

If the grant is not going to continue, do not use it in the projection, however, any client who has received a TANF cash grant is considered to be receiving TANF until it is verified they are no longer eligible.

- Child Only Program

  This program is designed for households not having any work eligible caretakers. No adults receive assistance due to ineligibility or because the caretaker is a relative caregiver. Categories of child only households include:

  - Non-qualified non-citizen caretaker
  - SSI caretaker
  - Relative caregiver
  - Kinship care caretaker

  Count the total amount of the TANF grant is income in the month received. If the grant is not going to continue, do not use it in the projection, however, any household who has received a TANF cash grant is considered to be receiving TANF until it is verified they are no longer eligible.

  TANF underpayments and supplemental payments are considered lump sum payments (see manual section 344).

  NOTE: Relative caregiver grants and Kinship Care grants must be reduced using the Average Cost of Care deduction. Refer to manual section 303.2.

- Self-Sufficiency Grant

  The Self-Sufficiency Grant (SSG) is a one-time lump-sum payment designed to meet immediate needs until regular income is received from employment, child support or other ongoing sources.

  Income from this program is exempt.

- TANF Loan Program

  The TANF Loan Program is a non-assistance cash program that provides financial assistance to a household who has an eligible member who has a reasonable expectation of a future source of income which would repay the loan. For example, an applicant pending SSI may receive Loan benefits which will be required to be paid back upon approval and receipt of SSI benefits.

Eligible households will receive a monthly payment designed to meet the family's needs until an anticipated future source of income is received.

Income from this program is exempt.

- Temporary Program

  This is a monthly payment designed to meet an immediate episode of need and limited to no more than four months per episode of need.

  Count the total amount of the TANF grant as income in the month received. If the grant is not going to continue, do not use it in the projection, however, any household who has received a TANF cash grant is considered to be receiving TANF until it is verified they are no longer eligible.

TANF underpayments and supplemental payments are considered lump sum payments (see manual section 344).

367 Temporary Disability Insurance

Temporary disability insurance and temporary worker's compensation payments which are employer-funded are considered income if the individual remains employed during recuperation from the temporary illness or injury pending their return to work.

If the individual is no longer employed, refer to manual section 379, Workers' Compensation.

368 Temporary or Ongoing Assistance from Other Agencies/Organizations

Temporary or ongoing assistance from other agencies/organizations, such as General Assistance (GA), Indian General Assistance (IGA), or Interim Assistance (IA) for pending SSI recipients, is budgeted as income unless excluded by another policy in Section 300.

369 Third-Party Beneficiary

Do not count money a household receives that is intended and used for maintenance of a nonmember.

If a single payment is received for more than one beneficiary, exclude the amount actually used for the nonmember up to the nonmember's

- Identifiable portion, **or**
- Prorated portion (if the portion is not identifiable).

370 Tips

Count as income. If the tip compliance amount noted on the pay stub is less than the applicant's and/or employer's statement, the applicant/employer statement should be used when determining the tip income.

371 Tribal Assistance/Indian General Assistance (IGA)

Count as income.

372 Trust Funds

Count withdrawals or dividends the household can receive from a trust fund as income.

> **NOTE:** ALL trusts, including living trusts, are submitted to the DWSS Chief of Child Care and Development to be forwarded to the Deputy Attorney General (DAG) for review and a determination of availability/accessibility; however, if the person is currently receiving income from the trust, it is countable (this includes income from SLA. Refer to manual section 336).

373 Unemployment Insurance Benefits (UIB)

Count as income the gross benefit less any amount being recouped for a previous UIB overpayment.

> **NOTE:** Child support judgments against UIB payments are not considered an overpayment recoupment. However, a deduction may be allowed per manual section 303.3.

374 Vendor Payments

Do not count payments a person or organization outside the household makes directly to the applicant's creditor or person providing the service.

Exception: Count as household income payments made by the NCP directly to the applicant's creditor or person providing the service in lieu of child support payments (refer to manual section 317). Additionally, if the applicant has a legal right to access the fund (i.e. child support or trust funds), the income is counted.

Example: Applicant and NCP have a mutual agreement that NCP will pay the applicant's rent in lieu of pay child support. Because the applicant has the legal right to child support payments, the money the NCP is paying for rent would be considered the child support payment and is counted.

375 Veteran's Administration Benefits (VA)

Count as income the gross benefit less any amount being recouped for a previous overpayment.

Exception: Exempt the portion of educational benefits used for items such as tuition, books, fees, equipment, etc.

NOTE: Do not count RSDI, VA, or other benefits, which a member of the childcare household is entitled to receive, if the benefits are paid to someone outside the home and the benefits are not made available to the household member. Count only the amount made available either in cash or by vendor payment. If the benefit is paid to someone in the home other than the member who is entitled to receive it and the payment is intended to cover living costs for the person entitled to the benefit, count the entire amount.

376 Victims of Nazi Persecution Payments

Exclude as income any payments made to individuals because of their status as victims of Nazi persecution.

377 Wages, Salaries and Commissions

Count the gross amount of all wages (including meals when included in the taxable gross income), salaries, and commissions as income.

Exception: EITC received with wages from an employer must be deducted from gross earnings prior to the income deduction being given.

If the employer indicates the individual works occasional/inconsistent overtime, the case manager must not use the overtime pay when determining the household's countable income. If at any time it is determined the overtime is performed on a consistent basis, the household's eligibility must be redetermined to include the overtime pay and the client's authorized schedule must be updated.

Count the cash value of an in-kind benefit the household receives in exchange for performing work for the provider (see manual section 337, In-Kind Income).

If an individual asks his employer to hold their wages or the wages are being garnished, count this as income in the month the household would otherwise have been paid. However, if an employer holds the employees' wages as a general practice, count this money as available income in the month it is paid.

377.1 Advances

Wage advances are budgeted when received, and are deducted when the employer deducts them from gross pay.

377.2 Flexible Fringe Benefits

Flexible fringe benefit plans allow the employee to choose from benefit components such as insurance, extra vacation time, and payments to third parties for medical bills or child care. These are also called "cafeteria plans."

Under some plans, employers withhold wages to pay for the benefits selected by the employee.

Under other plans, employers offer benefit credit in addition to wages, which the employee can use to purchase benefits. If the employee does not use all of the credit to purchase benefits, some plans allow the excess to be paid to the employee as part of his wages.

Use the following table to determine the countable income amount.

If the employer . . .	Count as earnings . . .
withholds the employee's wages to purchase benefits	The held wages in the pay period the employee would have normally received them.
provides credit in addition to wages	Only the portion that is paid directly to the employee. Follow the steps below to determine countable excess income. 1. Determine the total amount of gross wages/ salary. 2. Add the benefit credit amount to the wages/ salary from Step 1. 3. Subtract the cost of fringe benefits (up to the credit amount) from the amount in Step 2. 4. The remaining income from Step 3 is the countable gross earned income for the case.

NOTE: Do not include meals as income unless the meals are included in the taxable gross.

If the employer pays the benefit directly to the source (insurance carrier, child care provider, etc.), the benefit must not be included in the household's countable income. In addition, if the employee has a choice on whether or not they receive the benefit, it must not affect their benefits if it is rejected or accepted as long as it is sent directly to the vendor.

If the employee receives any portion of the additional benefit in their paycheck or in addition to their paycheck, it must be considered countable income.

377.3 How to Verify Employment Earnings

Obtain verification from the employer of the household member's pay rate and anticipated hours to be worked per week. Ensure the information is consistent with the applicant's report and resolve any discrepancies prior to the approval of benefits.

NOTE: When contacting the employer or hiring personnel directly, the contact person's name, title, date of contact, telephone number and all other pertinent income/employment status information (e.g., termination or beginning date of employment, type of position, days and hours of work, full-time or part-time employment, hours and hourly rate of pay, pay days, frequency of pay, bonus or commission pay, anticipated changes) must be documented in the computer system.

If the employer **statement** does not provide sufficient information to accurately determine the individual's ongoing income and the case manager is unable to contact the employer for clarification, the case manager must use the client's pay stubs to determine the household's ongoing benefit amount.

When To Use Actual Income

The case manager needs to use the household member's pay stubs as verification of income when the following circumstances exist:

- The employer verification does not provide sufficient information to accurately determine the individual's ongoing income and the case manager is unable to contact the employer for clarification; **or**

- The individual receives bonuses or commissions on a regular basis (weekly, bi-weekly or monthly); **or**

  Note: **If the commission or bonus is received quarterly, semi-yearly or yearly, it must be counted in the month it was received. If the employer states the individual receives a bonus quarterly, the income is calculated in the actual month the client received the bonus.**

- An overpayment/underpayment is being calculated for a past period and the original "best estimate" of income is incorrect; **or**

- Any other time the case manager needs additional information to determine the household's countable income.

When using pay stubs as verification, the case manager must use the most current thirty (30) or sixty (60) day history of **consecutive pay stubs** up to and including the interview/mail-in date. (Year-to-date total can be used if a missing wage stub is unavailable.) Verify and document any breaks in pay periods, overtime, pay rate/hour change, tips, shift differential, bonuses, commissions, etc. If income changes (e.g., hours, hourly rate of pay, part time to full time or full time to part time, new job, source of income) have or will occur in future months during the certification period, the **Best Estimate (BE)** projection of income must reflect these changes.

NOTE: Pay stubs should not be used as the only source of verification when:

- Employment began in the application or interview month;
- New employment is reported after approval; **or**
- Employment terminated in the application month.

If the household member's pay stubs or other employment records are not available and all attempts to verify income through the employer are unsuccessful because the employer fails or refuses to provide the information and no other proof can be found, the case manager must document all efforts made in the computer system and use the applicant's statement as verification of wages.

NOTE: The case manager can use applicant statement for earnings ineligibility and does not have to wait for earnings verification.

Example: The applicant reports they make $10,000/month. The case manager would deny the application based on the applicant's statement and not request verification.

377.4 Projecting Income from Employment Verification Form or Employer Statement

If using information provided on the Employment Verification Form 2186, (EVF) or employer statement, take the following steps:

1. Determine the estimated hours the client will be working per week.

   NOTE: If the employer states the individual will work a range of hours, the case manager must average the information to determine the approximate hours the individual will be working (i.e., the employer states the individual will work between 35 and 40 hours per week, therefore, the case manager must use 37.5 hours in the computation).
2. Calculate the anticipated monthly income by multiplying the number of hours to be worked per week by the current rate of pay by 4.3.

If verification of tip income is included on the EVF or employer's statement, use steps 1 & 2 above to determine the anticipated monthly tip income.

The case manager must ensure the Employment Verification Form (EVF) or employer statement has sufficient information to accurately determine the individual's ongoing income. If this verification does not provide sufficient information to accurately determine the individual's ongoing best estimate of monthly income, the case manager must contact the employer for clarification. If the case manager is unable to contact the employer, the EVF or employer statement cannot be used to project anticipated monthly income.

378 Work Study

Exempt income.

379 Workers' Compensation

Count benefits for a permanent or temporary disability as income if the household member is no longer employed. Count temporary disability insurance and workers' compensation payments which are employer funded as income when the individual remains employed while recuperating.

> **Exceptions:** Exempt any reimbursement for a medical bill the household paid. Reimbursements usually are made by separate check.

If the individual is employed, refer to manual section 367, Temporary Disability Insurance.

380 Workforce Investment Act of 1998 (WIA)

Consider the gross amount of payments from WIA-funded programs as:

- Income, if received for on-the-job training (OJT), Non-WIA Limited Work Experience (LWE) or Job Corps participation.
- Income, such as incentive payments, if received for any other WIA-funded program (even if based on hourly participation).

<u>WIA EARNED INCOME PAYMENTS</u>

WIA earnings for individuals seventeen (17) years old or younger who are under the parental control of another household member are exempt. This includes income that is funded by both WIA and the employer.

> **NOTE**: WIA earnings will be excluded until the month following the month the child becomes eighteen (18) years of age.

Additionally, all WIA income other than earnings from on-the-job (OJT) training program under Section 204(5), Title II, of WIA is exempt for **ALL** individuals. This includes allowances, reimbursements or stipends for meals, transportation, WIA college work-study and other costs.

NOTE: On-the-job training (OJT) payments under WIA received under the Summer Youth Employment and Training Program (SYETP) are also excluded as income. However, on-the-job training (OJT) payments to youths, other than dependents under age nineteen (19), in year-round programs and payments to adults are counted.

NOTE: The WIA income **exclusion** also applies to AmeriCorps payments under any comparable summer youth employment and training program because AmeriCorps is tied to the Workforce Investment Act.

Refer to manual section 361, Sibling Income from Employment.

For adults, count the gross pay.

WIA UNEARNED INCOME PAYMENTS

Exempt unearned income WIA payments received by a child (does not include minor mother caretakers on their own case).

Count unearned income WIA payments received by adults unless specifically exempted below:

- Exempt payments the provider identifies as
  - A needs-based payment, **or**
  - For supportive services, **or**
  - For post-program supportive services.
- Exempt WIA payments to adults based on their participation in any of the following programs:
  - Summer Youth Program, **or**
  - Work Experience Program, **or**
  - WIA Limited Work Experience Program (includes WIA funded work study when the individual attends community college/Arielity vocational courses or the individual is in the Western Nevada Community College Single Parent Program).

- Exempt portions of WIA money specifically identified by the provider as reimbursement for training-related expenses such as transportation, meals away from home, and similar expenses.

390 BUDGETING

The household's income is used to determine eligibility and amount of benefits. Consider the income of any person who is a required member of the household.

To compute income, use the following method, which most accurately reflects the best estimate of the household's income for the certification period:

- Actual income (income that has already been received), **or**
- Projected income (the "best estimate" of income which is anticipated to be received).

Unless specified in a specific income manual section (i.e. child support, self-employment, contractual, etc) use the budgeting methods describe in this section.

391 How to Convert Income to Monthly Amounts

If necessary to manually convert income~~,~~ which is not received monthly~~,~~ to monthly amounts, use one of the following methods:

- Multiply the average **weekly** income by 4.3
- Multiply the average **semi-monthly** income by 2 (this can be done with actual income received).
- Multiply the average **bi-weekly** (amounts received every other week) income by 2.15. **Exception**: If a case reflects bi-weekly income but the amount of income received monthly can never exceed an established amount (e.g., child support is paid every other week but the amount is court ordered and paid at $350 per month and never varies), use the $350 per month. This income could be annualized because the amount is the same for 12 months.
- Divide **yearly** income by 12 or for the time period covered by the income (e.g., household member receives $1,000 for 5 months of seasonal employment). Permanent employees such as school teachers are annualized.

If an additional anticipated payment is received outside the regular payment cycle, add this amount to the regular converted amount. Additional payments which were not anticipated are only budgeted if the current benefit has not been paid.

> **Example:** Household member is paid weekly, however receives a tip check once per month. The weekly income would be converted to a monthly amount and the tip income would be added to this monthly amount.

Anticipate income using the best available information. If income is ongoing, but the amounts fluctuate, it is best to anticipate by averaging income from past pay periods.

391.1 Converting New Employment Income to a Monthly Amount

Use the following procedures if the household has new income from employment and there is not enough history from which a monthly amount of income can be accurately projected:

1. Determine the estimated number of hours to be worked per week,
2. Estimate weekly gross income by multiplying the weekly estimated hours by the hourly wage.
3. Determine the monthly projected gross income by multiplying the estimated weekly gross income by 4.3.

NOTE: If verification substantiates the use of a specific factoring method which is more accurate than multiplying weekly gross income by 4.3, use what will accurately reflect the income to be received. The budgeting method used must be documented in the computer system.

392 How to Budget and Convert Actual Income to a Monthly Amount

Actual income is income which has already been received. Anticipate income using the best available information. If income is ongoing, but the amounts fluctuate, it is best to anticipate by averaging income from past pay periods. Use the following procedures to convert and budget actual income to a monthly amount:

- Determine the actual income received in the past thirty (30) days, or sixty (60) days. The income history must include the consecutive pay stubs issued including the interview/mail-in date, **and**
- Average the income and convert the averaged amount to a monthly amount. Refer to manual section 391 for instructions on how to convert income to a monthly amount.

Exception: Do not include income from a terminated source. Do not include income received from a new source which is less than a full pay period.

Example: The pay period is 4/1 to 4/7 and client is hired and starts work on 4/5. Do not include this pay stub as it does not provide an accurate representation of the client's income.

393 How to Budget and Convert Projected Income to a Monthly Amount

Projected income is the "best estimate" of income which is expected to be received. Use the following procedures to project income:

1. Evaluate income and circumstances with the household.

2. Budget the following amounts of income:

   - When using an EVF or employer statement, calculate the anticipated monthly income by multiplying the number of hours to be worked per week by the current rate of pay by 4.3.

     For income other than wages, determine the amount to be received and the frequency it will be received and use the conversion factors in manual section 391 to determine a monthly amount.

   - Countable income that can be reasonably anticipated to be received for future months during the certification period. If the exact amount is not known, count only that portion that can be anticipated with reasonable certainty.
     Income is "reasonably anticipated" when the household knows:

     - From whom the income will be received,
     - In what benefit month it will be received,
     - How much it will be, **and**
     - How often it will be received.

Always document the reason for the method used.

If income is received more often than monthly and a full month's income is anticipated, use the conversion factors in manual section 391 to determine a monthly amount.

394 Income Received Less Often than Monthly

If income is received less often than monthly, including bonuses and commissions, count income only for the month it is anticipated to be received. Refer to on-call income in manual section 395.1.

395 Irregular Income

When converting and projecting earnings to a monthly amount, do not include bonuses, holiday pay, commissions and/or overtime, unless it is received on a regular basis or the holiday pay is received in lieu of regular pay (i.e. vacation pay).

If bonuses, overtime, commission, etc., are received once a month, convert the regular earnings and then add the monthly overtime, bonus, commission, etc., to the total converted amount of earnings. Ensure the budgeting method is documented in the case record.

395.1 On-Call Employment

Income from on-call employment, such as banquet waitress, culinary union or casual labor, etc., is treated as monthly income when it fluctuates and is irregular or sporadic. Use a 60-day history (if available) and divide the total by two (2) to project monthly income. If the 60-day history includes a month with no income and the member was on call, use the month with no income in the average.

If income from on-call employment is received on a regular basis (e.g., 3 days per week, 80 hours per month), use normal budgeting procedures.

396 Budgeting Steps

First Step

The maximum income is established based on the number of household members (see Income Limits and Subsidy Percentages chart, manual section 190).

Second Step

Determine the gross income based on all countable income, less any allowable deduction(s), received by the household. Round the gross monthly income to the nearest dollar (i.e., 0-.49 round down, .50-.99 round up).

Third Step

Compare the gross countable income to the Income Chart (see manual section 190) based on the appropriate household size. To the right of the income is the Percentage Paid field. This is the percentage the Child Care Subsidy Program will pay; this is the subsidy amount. If the gross countable income exceeds the 75% of Nevada's median income, deny/terminate the household.

Eligibility Categories

400 When determining eligibility, the case manager must evaluate eligibility for all group sets under each eligibility category before approving or denying the application.

Additional requirements and/or exceptions are listed for each category of eligibility. In addition to meeting the additional requirements, the household must also meet the non-financial requirements in manual section 200 and income requirements detailed in manual section 300, unless otherwise noted in this section.

410 NEON Programs

Applicants who are pending/receiving assistance from one of the qualified TANF Cash Programs listed below are eligible for child care subsidy under the NEON Activity category. Eligible TANF Cash Programs are:

- TANF-NEON Program (TN): TANF household with one work-eligible parent. The household may include two parents; however one is not required to participate in the NEON program. For two-parent households purpose of care is required for both parents.

- TANF-NEON 1 Program (TN1): TANF household with two parents however, one is ill or temporarily disabled and not required to participate in the NEON program. It must be verified the ill/disabled parent is unable to provide care for the child.

- TANF-NEON 2 Program (TN2): TANF household with two work-eligible parents. A completed NEON Child Care Referral, form 2728-WA is required for each parent in a two-parent household.

  Note: If job search is the approved NEON activity, DWSS staff must ensure there is justification for why one parent/caretaker cannot care for the child while the other is seeking employment must be provided.

- Temporary Program: The Temporary Program can be a one or two parent household. A completed NEON Child Care Referral, form 2728-WA is required for each parent in a two-parent household.

  EXCEPTION: Applicants must be receiving TANF cash under the Temporary Program to qualify for child care assistance. If an applicant is pending TANF cash under the Temporary Program, the child care staff must return the referral to the NEON case manager and provide a written explanation of why the referral is being rejected to the designated DWSS management staff.

411 Additional Information

- Applicants must provide a completed NEON Child Care Referral, form 2728-WA. Refer to manual section 106.1 regarding criteria for a completed NEON Child Care Referral.

- The NEON Child Care Referral, form 2728-WA designates the purpose of care a NEON Pre-eligibility Work Activities, NEON Work Activities or Temporary Program Work Activities. The specific detail of the activity is not required as the activity is monitored by NEON staff.

- Individuals who are employed and participating in TANF Pre-Eligibility Work Activities are evaluated under the NEON funding category. The Certificate schedule must match the NEON Child Care Referral, form 2728-WA and no co-payment will be assessed.

- Individuals will not be eligible for NEON job search activity during school hours if the only eligible child (ren) is "school age" (6 to 12 years) or "special needs" (13 to 18 years). However, part time child care is allowed to cover before and after school hours if required NEON participation hours are greater than school hours. Child care assistance for job search is available if child(ren) is not in school (i.e., summer break, track break, holidays, etc.) job search will be allowed.

- Certificates are issued per the Start and End Dates requested on the NEON Child Care Referral and cannot exceed ninety (90) days.

  EXCEPTION: The maximum certification period for the Temporary Program cannot exceed four (4) months.

- Non-financial and financial eligibility factors which are verified by DWSS staff are not required to be re-verified by child care staff. However, once the applicant is no longer eligible under the NEON Activity category, all non-financial and financial eligibility factors must be verified. The following chart confirms which eligibility factors are verified by DWSS Family Service Specialists.

ELIGIBILITY FACTOR	TANF-NEON PROGRAM	TEMPORARY PROGRAM
Age	Yes	Yes
Special Need	No	No
Identification	Yes – See Exception below	Yes – See Exception below
Social Security Number	Yes	Yes
Citizenship	Yes	Yes
Immunization	Yes – See Exception below	Yes – See Exception below
Relationship	Yes	Yes
Custody	Yes	Yes
Residency	Yes	Yes
Household Composition	Yes	Yes
Purpose of Care	Yes	Yes
Child Support	Yes	No
Income	Yes	Yes

EXCEPTIONS:

Identification – all applicants and authorized representatives must provide identification at application

Immunizations – Immunization records are maintained by **all** providers and as such, verification is not required to be maintained in the case file. Child Care staff will monitor the registered providers' immunization records during health and safety home inspections to ensure immunizations for children receiving CCDF subsidy benefits are current.

412 Subsidy Amount

NEON households are eligible for 100% of the state maximum.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

413 Funding Category

The household must be funded under the NEON funding.

420 WORKING

Applicants may be eligible for child care subsidy while they are working. This includes travel to and from their employment. To be considered "working" the individual must receive monetary compensation for their services.

Exception: Individuals, who work on a commission-only or an on-call basis, may claim they have not received compensation for a period less than thirty (30) calendar days and remain eligible. However, if the household claims no compensation for a period greater than thirty (30) calendar days, the household is ineligible for subsidy benefits and benefits must be terminated, allowing ten (10) days advance notice.

421 Additional Information

- Travel time is allowed for individuals to commute to and from work; however, it must not exceed sixty (60) minutes each way.

- Eight hours of sleep time is allowed for individuals who work a graveyard shift when there is not another parent/caretaker available to provide care during that time period. Sleep time should only be allowed for parents/caretakers of non-school age children unless the school age children are on summer or track break.

422 Subsidy Amount

NEON, Foster Care and CPS households are eligible for 100% of the state maximum. For all other household's, the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

430 JOB SEARCH

Job search is defined as an activity that demonstrates an individual is actively seeking potential employment. Qualifying job search activities include:

- Completing applications in person; or

- Completing on-line computer applications at an employment agency (i.e., Job Connect, temporary agency, etc.), the library, community agency and/or employer kiosks; or

- Interviews; or

- One time resume preparation (not countable if done at home): or

- Employment preparation (testing, sheriff's card, purchasing appropriate work clothes, etc.).

  NOTE: Seeking and applying for jobs on-line from the individual's residence does not qualify for subsidy under the Job Search Category.

Applicants, including foster and CPS households, may be eligible for child care while seeking employment. Job search activities must be monitored by the Child Care Program.

431 Additional Information

The following guidelines apply to individuals who participate in the Child Care Program Job Search.

- Child Care Job Search is limited to two (2) weeks in a calendar year (January through December).

- Certificates can be issued for a maximum of two (2) weeks (14-days) each time the household is eligible for job search.

  NOTE: One (1) week of child care will be counted if only one day was used during the approved job search week and the provider bills and is paid for that day. If the client applies and is approved under Job Search category but does not use care and the provider never bills for any days, then the client is still eligible for that one week of job search eligibly.

- Households will not be eligible for job search if the only eligible child (ren) is "school age" (6 to 12 years) or "special needs" (13 to 18 years). The job search can be done while the child(ren) is in school. If the child(ren) is not in school, (i.e., summer break, track break, holidays, etc.) job search will be allowed.

- Child Care Job Search criteria:

  - Individuals must sign the Job Search Agreement, form 2159-WC, which requires them to adhere to all job search requirements.

  - To qualify for subsidy payment for a job search week, individuals(s) must complete two (2) or more activities per day with a minimum of six (6) job seeking activities per week. If the minimum is not met, the individual(s) is only eligible for payment on days the minimum was met.

EXAMPLE: The individual submits a Job Search Agreement, form 2159-WC indicating they completed two activities on Monday, two on Wednesday, and two on Friday. They are eligible for payment for five (5) days of child care and meet the criteria for the additional week.

EXAMPLE: The individual submits the Job Search Agreement, form 2159-WC indicating they completed two activities on Monday, one on Tuesday, two on Wednesday, one on Thursday, and none on Friday. Subsidy benefits will only be paid for Monday and Wednesday.

- Two (2) or more qualifying job search activities completed in a day will be reimbursed at the full-time rate. The applicant is eligible for reimbursement of five (5) full-time days if they complete the minimum of two (2) per day **and** six (6) per week. Applicants are no longer eligible for the part-time rate during the job search period.

- If a job is found during the job search period, the applicant must submit the completed Job Search Agreement, form(s) 2159-WC, to qualify for continued coverage with employed purpose of care.

  NOTE: If employment is found during job search period and the household qualifies under Discretionary funding, the certificate period will only be approved for ninety (90) days.

  The Certificate schedule must allow flexibility during the job seeking period; however, the applicant must be informed they are responsible for any costs incurred because child care was used without a qualified job search activity or if the child care services exceed the authorized time limit.

  In addition, applicants must also be informed they will be assessed an overpayment and an Intentional Program Violation may be pursued if the child attends the facility while the parent/caretaker is not actively seeking employment.

- Providers must be reimbursed based on the number of authorized days the child was in care. Child care attendance must be verified against the activities listed on the Job Search Agreement. Reimbursement must be made and an overpayment assessed if the Job Search Agreement is not returned, incomplete or with misleading information.

If employment is secured during the job search, the new information (employer details, countable income, etc.) must be documented and the certification period may be extended; however for At-Risk funding must not exceed a total of one hundred and eighty (180) days including any prior certification time and if approved under Discretionary funding category for only an additional ninety (90) days.

TWO PARENT/CARETAKER HOUSEHOLDS

Two parent/caretaker households may be eligible for job search activities, if one of the parents/caretakers is unable to care for the child due to their activity schedule (i.e., one parent is working during the day when most employers are open for business and/or conducting interviews).

If both parents/caretakers are requesting job search, justification for why one parent/caretaker cannot care for the child while the other is seeking employment must be provided Extenuating circumstances must be examined and approval by Child Care management staff must be received prior to authorizing benefits.

The Child Care Program must only cover days and hours when both parents are performing an activity at the same time. Otherwise, one parent should be with the child and/or other arrangements made for the child care.

432 Subsidy Amount

NEON, Foster Care and CPS households are eligible for 100% of the state maximum. For all other household's, the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

> **NOTE:** Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

440 STUDENT

Minor parents are eligible under the Student Propose of Care. The minor parent must be attending school to acquire their high school diploma or their GED to be eligible for subsidized child care. Minor parents can be part-time or full-time students who need child care while attending school. As long as school is the primary Eligibility Category, the minor parent may qualify for additional child care services under another category (i.e. working).

Minor parents must qualify under another eligibility category if they have graduated high school or received their GED.

441 Additional Information

- Minor parents who turn 18 but will not graduate or obtain their GED may continue to qualify under student purpose of care as long as they will obtain the diploma or GED prior to turning 19.

- Grade reports must be submitted at the end of each semester with a grade average of "C" (2.0) or better to remain eligible for subsidized child care under the Student purpose of care, unless additional services are authorized by the Child Care Chief.

- An official school schedule of classes must be submitted for verification of the schedule.

- Travel time is allowed for clients to commute to and from class/school; however, it must not exceed sixty (60) minutes each way.

- Study time is allowed for up to two (2) hours per day, as long as it is on the same day for which care is already authorized per the student's class schedule. Additional days will not be authorized for the sole purpose of studying.

- The length of the certification period must not exceed the end date of the school period according to the minor parent is enrolled in, i.e. semester, quarter, etc.

  EXCEPTION: If the individual has a second purpose of care, such as working, the certification can be extended to the six (6) month maximum.

442 Subsidy Amount

NEON, Foster Care and CPS households are eligible for 100% of the state maximum. For all other households, the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

450 TEMPORARILY DISABLED

Applicants who are temporarily disabled can request child care subsidy during the disability period, as long as they have someone else to care for the child when the child is not in daycare.

> **Example:** The spouse of the disabled individual is employed during the day, but can care for the children before and after work.

If the household does not have anyone else to care for the children, they are ineligible for benefits under this Purpose of Care. In addition, if circumstances warrant concern for the care and safety of a child a referral must be made to Child Protective Service (CPS) by submitting the CPS & Child Care Licensing Report form.

451 Additional Information

- A temporary disability is defined as an incapacity or health condition, which severely limits the individual's ability to care for the child. The disability must be expected to last a minimum of thirty (30) days but less than twelve (12) months. The household must provide verification from the disabled individual's physician, verifying the length of the disability and the individual's inability to provide care of the child(ren).

- Individuals who receive Social Security SSI or RSDI are considered permanently disabled and are not eligible for subsidy benefits unless they meet the purpose of care requirement in another category (i.e., employment or job search).

  > **NOTE:** The definition of disability in the Social Security law is strict. To be eligible for benefits, a person must be unable to do any kind of substantial gainful work because of a physical or mental impairment (or a combination of impairments), which is expected to last at least twelve (12) months or result in death.

- Approval requests for the Disabled category must be sent to the Chief of the Child Care and Development Program. The chief will provide a decision to appropriate staff. DWSS program staff or supervisory contract staff will update the system with the approval/denial decision.

- The length of certification depends on the statement from a doctor which must indicate the start and anticipated end date of the disability. The certification period must not exceed the anticipated end date or six (6) months, whichever is less.

  NOTE: The disability may be expected to last beyond six months; however, the household must re-qualify for benefits at least once every six months.

- If the individual is on leave from work, a statement from the employer is required. The statement must include the date the individual began the leave of absence, anticipated income (sick leave, worker's compensation, wages, etc.) during the absence and the anticipated date of return.

- The Certificate schedule may vary depending on the purpose of care schedule for the alternate caretaker.

452 Subsidy Amount

Foster Care and CPS household's are eligible for 100% of the state maximum. For all other household's, the subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

NOTE: Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted.

460 RESERVED

470 RESERVED

480 CONTRACTED SLOTS

A Delegate Agency must enter into a written Memorandum of Agreement (MOA) with the Child Care Program Office (contractor) or have a contract with DWSS. A Delegate Agency must choose whether they will receive compensation through the certificate program or through the contract program.

EXCEPTION: If a delegate agency has elected to receive compensation through the contracted slot program that agency will be allowed to accept certificate case types with a NEON purpose of care; no other purpose of care certificate case types will be allowed.

Delegate Agencies have a choice of either determining household's eligibility for contracted slot or refer the case to the appropriate child care program staff to determine the eligibility decision.

Contract award amounts must be approved in writing by the Child Care & Development Chief.

481 Delegate Agency Determines Household Eligibility

If the Delegate Agency elects to determine the household's eligibility, they must:

1. Accept the participant's completed and signed Delegate Agency Enrollment forms or Application for Child Care Subsidy, form 2151-WC.

2. Obtain the participant's written self disclosure (under penalty of perjury) of all non-financial factors of eligibility for **all** household members which include:

   - Age
   - Identification of Special Need Children (Must be approved by Child Care Program Staff prior to approval of eligibility)
   - Identification
   - Social Security Numbers
   - Citizenship
   - Child Immunizations
   - Relationship (of applicant to household members)
   - Custody
   - Residency
   - Household Composition

3. Ensure status of child support has been verified as follows:

   - Review application to ensure the Child Support section on page 3 of the Application for Child Care Subsidy (form 2151-WC/A or WC/B) is completed.
   - As required by manual section 221 through 221.4, obtain verification of child support status.

3. Obtain the verification per manual section 220.1 of purpose of care for all required adult members and minor parents of the household. If the participant(s) is not in an activity, i.e purpose of care, allowed by the Child Care Program, the household is not eligible for subsidy.

4. Obtain the proper verification for all reported countable household income (Employment Verification form, pay stubs, child support payments (informal payments or through court system), Social Security Benefits, unemployment benefits, etc.).

5. Convert the reported income into a monthly amount in compliance with the budget methodology set forth in manual section 390.

6. Using the Household Size and Monthly Income Chart in manual section 190 determine if the household is eligible for delegate funding based upon their countable income and household size.

7. Notify Eligible households of any subsidy co-payment they are responsible for according to household income and household size.

8. Determine the appropriate category for which the household is eligible at time of approval.

   EXCEPTION: The Job Search Category is not allowed for anyone applying with a Delegate Agency. Applicants applying for this category should be referred to the appropriate Child Care Program Office.

9. If the Delegate Agency is made aware of changes in a household's circumstances they must re-address the subsidy eligibility.

10. A copy of the completed application, and any required documentation must be forwarded to the appropriate Child Care Program Office for formal subsidy program enrollment. Child Care Program staff is to ensure:

    - the application is complete and signed;
    - children requesting care are under age 13 unless verification of special needs is provided;
    - applicants have provided a written self disclosure (under penalty of perjury) of all non-financial factors of eligibility for **all** household members; and
    - purpose of care and schedule has been verified.

11. If eligible, approve the household for no more than twelve (12) consecutive months from the date of enrollment.

    EXCEPTION: If the Eligibility category is NEON, the case should be approved no longer than the end date listed on the NEON Child Care Referral, form 2728-WA.

12. At the end of the current eligibility period, obtain a new application and verify all eligibility requirements before approving any household.

13. Maintain complete documentation which supports eligibility decisions for each application for assistance. Eligibility records for children who have received subsidy benefits during the last twelve (12) must be on site at one location for auditing purposes.

14. Registration fees will be limited to one payment per calendar year per eligible enrolled child with at least one day of actual attendance in a contracted slot. Payment cannot exceed $40.

482 Delegate Agency Does Not Determine Household Eligibility

If the Delegate Agency chooses not to determine the household's eligibility for a contracted slot, the Delegate Agency must:

1. Accept applicants completed and signed Delegate Agency Enrollment form or Application for Child Care Subsidy, form 2151-WC and forward to the Child Care Program Office within three (3) business days of receipt.

2. If the Delegate Agency is made aware of changes in a household's circumstances they must report these changes to the Child Care Program staff within three (3) business days after gaining knowledge of the change.

3. The Delegate Agency is not eligible to receive reimbursement of registration or annual fees.

483 Additional Requirements for All Delegate Agencies

Delegate Agencies must:

1. Submit a signed MOA to the Child Care Program Office prior to payment being issued. A new agreement must be signed annually or more often if necessary due to amendments in the MOA.

2. Inform parents of their rights to receive services, rights to appeal and right to file a complaint.

3. Notify the Child Care Program Office in writing of participant's termination for subsidy assistance.

4. Maintain all relevant records for a period of three (3) years as follows:

   a. **Eligibility Case Files** - If the Delegate Agency determines eligibility, the eligibility records must be retained for three (3) calendar years from the end of the calendar year in which the case was denied/terminated/closed.

   b. **Child Attendance Records** - Retain these records for three (3) calendar years from the last date of attendance.

   c. **Billing Records** - Retain this record for three (3) calendar years from the date upon which the bill is paid or rejected.

484 Requirements for Compensation

The Delegate Agency must submit voucher/Enrollment Attendance Verification (EAV) billings monthly to the Child Care Program Office on or before the 5th business day of each month to ensure timely compensation. The attendance billings must.

1. Include the service site/location's name, address, telephone number, amount charged, period of time covered and the names of the children for which child care reimbursement is requested.

2. Be accurately completed.

3. Each page of the EAV must be signed by an authorized person unless the delegate agency uses electronic means to record attendance.

4. Reimbursement will be allowed for the entire billing month for a child if:

   - the child is eligible for the entire service period and,
   - the child attends at least one day during the service period and,
   - the Delegate Agency submits a reimbursement request for the child

Example: If the Contracted Slot or Wraparound case is approved with an effective date of 05/01/2009 thru 04/30/2010, the 05/2009 service period can be reimbursed. However, if the case is approved with an effective date of 05/10/2009 thru 04/30/2010, the 05/2009 service period will not be reimbursed, as the child was not eligible the entire service period. Additionally, if the child turns 13 or no longer attends effective 02/13/2010, the 02/2010 service period will not be reimbursed, as the child was not eligible the entire service period.

485 Compensation

For each eligible child, the delegate agency's contracted slots will be paid at the state approved rate, using the state maximum daily rate less the participant's co-payment responsibility.

For children six (6) years of age through twelve (12) years of age or special needs children (13) years of age through nineteen (19) years of age full-time attendance is justified when attendance records validate at least three (3) hours of attendance in a calendar day during the billing month.

For children less than six (6) years of age full-time attendance is justified when attendance records validate at least four (4) hours and thirty (30) minutes of attendance in a calendar day during the billing month.

Attendance less than a full-time day will be paid at the approved part-time rate.

Monthly billings are limited to an amount not to exceed the total contract compensation stated in this MOA divided by (the number of months multiplied against .75) covered under this agreement multiplied by the number of calendar months completed from the effective date of the MOA to the billing date minus all reimbursements already received under the current contract.

Formula:

$$\frac{\text{Total Contract Authority (dollars)}}{\text{months covered by contract X (.75)}} \times \text{number of calendar months completed} - \text{reimbursements already received under this contract}$$

Upon approval from the Child Care Program, payment shall be made directly to Delegate Agency within thirty (30) business days of receipt of attendance billings.

486 Audits

At the discretion of the Child Care Program staff, the State or their designee, the Delegate Agency's attendance logs may be requested and compared to the EAVs submitted by the provider. The Delegate Agency is required to cooperate with the review process.

487 Subsidy Amount

The subsidy amount is derived from the Income Limits and Subsidy Percentage chart in Section 190 and is based on the household size and countable income.

> **Note:** Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted

490 WRAPAROUND SERVICES

The Head Start Wraparound programs must choose to be either a contracted slot program or a certificate program and notify the Child Care Program Office of their selection.

> EXCEPTION: If a delegate agency has elected to receive compensation through the contracted slot program that agency will be allowed to accept certificate case types with a NEON purpose of care; no other purpose of care certificate case types will be allowed.

A child enrolled for Head Start or Early Head Start services is automatically eligible for Wraparound Services through the Child Care and Development Program as long as the household's income does not exceed 75% of the State Median Income for applicable household size and the requirements in MS 4912 are met.

491 Additional Information

- Eligibility for Head Start Programs is based on Head Start eligibility criteria with three exceptions:

  1) All required adult members and minor parents must have a purpose of care;

  2) The household's total gross income cannot exceed 75% of the State Median income;

3) The subsidy percentage is based on the Income Limits as defined in the manual section 190.

- After initial application, reapplications are not required for Early Head Start children until they move from Early Head Start to Head Start.
- After the initial application for Head Start, reapplications are not required until they are no longer eligible for Head Start.
- Purpose of Care and schedule must be re-verified every 12 months.

492 Subsidy Amount

The subsidy amount is derived from the Income Limits and Subsidy Percentage chart in manual section 190 and is based on the household size and countable income.

Updates & Terminations

500 UPDATES & TERMINATIONS

501 Introduction

Changes are situations that occur in a household, which may affect eligibility or the subsidy percentage the Child Care Program will pay on the client's behalf. Action must be taken on reported changes to ensure program integrity is maintained by issuing benefits timely and accurately and maintaining Quality Control tolerance levels.

502 Adverse Actions Requiring Advanced Notice to Clients

After approval, clients must be notified in writing, **ten (10) calendar days** in advance of the effective date, whenever adverse (negative) actions are about to occur to their benefits. The day after the notice is sent is the first day of the ten (10) day period. Exceptions are listed later in this section.

> **EXAMPLE of Adverse Required:** The case manager takes an action on 1/8 that decreases a client's subsidy and sends a Notice of Action the same day. The effective date of the subsidy decrease would be 1/19.

Examples of adverse actions are (not all inclusive):

- An increase to the household's co-payment.
- The client's subsidy benefits are reduced/terminated (some exceptions apply. Refer to manual section 502.1).

502.1 Adverse Actions Not Requiring Advanced Notice - Notice of Action Is Required

In the following situations, advanced notice of the adverse action is not required, however, a Notice of Action must be sent to the household.

- The household requests reduction or termination.
- It is verified that a NEON funded household member is in noncompliance with NEON requirements.
- It is discovered that a household member's purpose of care for which they were certified changes or no longer exists.

Note:

- o If employment has ceased, the individual may be eligible for job search through the Child Care Program. The client must report their change in circumstances within ten (10) calendar days from the date the employment ceased and has not used child care during the time between the employment ending and approval of child care for job search. Refer to manual section 421 for additional requirements.

- o If a client becomes employed while approved for job search subsidy, eligibility must be evaluated and the certificate will be updated appropriately without advance notice; The certification period can be extended but must not exceed a total 6 months.

- o If a client has changed jobs or other approved activity and an interruption in purpose of care does not exceed five (5) business days (Monday through Friday) the certificate can be continued up to a six month maximum. However the subsidy benefit must be evaluated with the new circumstances and if a decrease/termination is appropriate, advance notification is not required for this adverse action.

- A student drops below the minimum credit requirements.
- A household member has been found guilty of an intentional program violation (IPV).
- It is verified, or another state verifies the household or a household member is residing in another state.
- The parent/caretaker is deceased and no other caretaker is available.
- An eligible child is removed from the home by court order or voluntarily placed in foster care.
- A child becomes ineligible due to age (child turns age 13, or 19 if designated as special needs).
- A child's care level changes.
- The household's funding category changes.
- The household receives a lump sum which renders the client ineligible or reduces the subsidy benefit for 30 consecutive days.
- the household's address is unknown and mail has been returned by the post office; or information verifies the household is no longer at the address last provided and a new address is not known.

- Written information is provided which requires termination or reduction of benefits and a signed written statement is received from the household stating they understand the consequence of supplying the information.

502.2 Adverse Actions Not Requiring Advanced Notice - Notice of Action Is Not Required

A Notice of Action is not required when the state or federal government initiates a mass change which affects the entire caseload or significant portions of the caseload. Households may not appeal mass changes.

Example: The federal government changes the poverty level or median income levels.

510 REPORTING REQUIREMENTS

511 What to Report

Households are advised of their responsibility to report all changes that occur in the household after application, such as (not all inclusive):

- Household composition;
- Anticipated or planned absences of a household member (visitation, hospitalization, deployment, etc.);
- Marital status, or reconciliation with the absent parent;
- Custody agreements;
- Residence and/or mailing address;
- Receipt of a lump-sum payment;
- Child care provider;
- Purpose of Care Schedule;
- Earned income changes;
    - Change of employer
    - Starting/stopping a job
    - Promotion and/or increase in hourly or salaried wage
      Change from full-time to part-time or part-time to full-time for employed household members. **NOTE:** Part-time employment is employment which is less than a weekly average of 30 hours. Full-time employment is employment with a weekly average of 30 hours or more per week. To determine the weekly average, divide total hours worked in the month by 4.3.

      Exception: This does not apply to salaried employees, whose salary does not fluctuate based on number of hours worked.

- Unearned Income Changes
  - The source of the income
  - Changes of more than $50 within the last thirty (30) days

- Any other circumstance or anticipated change, which may affect eligibility or benefit amount.

These changes may require a new certificate be issued; however, the original end date of the certification period must not change unless a new purpose of care requires it (i.e., job search, semester end date, etc.), the change caused total ineligibility (i.e. over income, etc.), or it is discovered the certification period end date was incorrectly authorized.

511.1 Reporting Purpose of Care

Clients may not utilize child care benefits if the approved purpose of care no longer exists. The client has signed the Program Penalties, form 2165-WC, which states if the client utilizes services on days when the approved purpose of care does not exist, the client is committing an intentional program violation (IPV), regardless if the client reports it or not.

512 Timeframes for Reporting Changes

During the eligibility interview, the applicant must report changes that have occurred within the household since the date the application was filed. All changes must be reported immediately from the date of application to the date of approval. After approval, all changes must be reported within ten (10) calendar days from the date the change occurred.

If it is discovered the household has failed to report or untimely reported a change, the case manager must evaluate for possible overpayment of benefits and send the Timely and/or Accurately Reporting form, 2184. This form is provided as a courtesy to the client one time only. If the client fails to report or untimely report after receiving form 2184, the case manager should evaluate for an IPV. Refer to section 800 for IPV information.

513 How to Report

Household members or their authorized representative (AR) may report changes in person, by telephone, fax or through the mail.

> **NOTE:** Changes reported by fax or through the mail must include the case name and Social Security number.

514 Receipt of Reported Changes

When a household reports a change any verification received by the Child Care Program office must be date-stamped with the current date by the staff member accepting/receiving the documents.

> **NOTE:** Receipt of third-party calls or verification reporting changes may also be used. Third-party calls reporting changes need clarification and/or supporting verification before impacting eligibility and/or subsidy benefits.

515 Loss of Contact

If mail is returned with no forwarding address, staff should check the address for accuracy and try to substantiate residence or loss of contact (LOC) through verification. A termination action can be taken based on this information. The case notes must contain clear and complete documentation of the actions taken or verification received to support the LOC action.

520 PROCESSING REQUIREMENTS

Upon receipt of a reported change, the case manager must ensure the following actions are completed:

- Date stamp the reported change document with the date the information is received by the Child Care Program office; or if a change is reported by phone, document in the computer system:
  - The reported change; **and**
  - The date the change occurred; **and**
  - Who reported the change; **and**
  - The date the change was reported;
- Identify all related cases affected by the change;
- As applicable, transfer the information to the correct case manager, if the case is located elsewhere;
- Review the change to determine the effect on the household's subsidy benefits;
  - If the case can be updated without additional verification, update the case within ten (10) calendar days from receipt of change. If the subsidy is decreased or terminated, as applicable per manual section 502 allow the ten (10) calendar day adverse period.
  - If verification is required to update the case, request the information via a Request for Information (RFI), form 2156-WC allowing the client ten (10) calendar days to provide the verification. When the due date falls on a weekend or holiday, the due date is the next working day.

NOTE: If the required verification is not provided, benefits must be terminated immediately. Advance notice is not required as notice was given at the time of the request for information.

- Notify the household of any increase/decrease/termination with a Notice of Action, form 2158-WC. For increase or decrease of subsidy benefits a new Certificate is required.

521 Care Level Changes Due to a Child's Birthday

When a child has a birthday which necessitates a care level change, the child's care level must be updated effective the day the child becomes eligible at the new rate and a new certificate issued to the client and provider for their records. The client must also receive a Notice of Action, which informs them of the changes in the benefit amount. The end date of the new Certificate must not exceed the end of the original Certificate period, but may be shorter if the change necessitates it (i.e. the child turns 13 or 19 with a special need).

522 Moves Within the State

If a household moves to an area covered by the same program office but different site location, the case must be transferred to the appropriate site location and must remain in an open status. Any necessary verification should be requested to be returned to the new office.

If the client moves out of the local service area to an area served by a different Child Care Program Office, benefits must be terminated. The client must reapply for benefits with the new program office.

523 Mass Changes

The state or federal government initiates changes which affect all or a large number of households. The household is not required to report these changes.

Mass changes generally occur in:

- the income eligibility standards; or
- the state maximum provider rates; or
- other eligibility criteria based on legislative or regulatory actions.

Some mass changes, such as the income standards, are updated automatically and benefits are adjusted effective the date of the change. In some cases, mass change cannot occur. These cases will require case manager intervention and must be updated manually. Mass changes may be applied to the household on a flow basis (i.e., reapplication or the next time the case is reviewed), unless otherwise specified.

530 CHANGES AFFECTING BENEFITS

Changes to the funding/eligibility categories, providers, schedule, subsidy percentage, etc., may require a new Certificate to be issued; however, the original end date of the certification period must not change unless the new purpose of care requires it (i.e., job search, semester end date, etc.), or it is determined the case was approved in error and benefits must be terminated.

Receipt of third-party calls or verification reporting changes may also be used. Third party calls reporting changes need clarification and/or supporting verification before impacting eligibility and/or subsidy benefits.

When a change is reported that is questionable or conflicts with information already in the file or information from another source contradicts statements made by the household, the case manager must attempt to resolve the issue prior to approving eligibility. The household must be provided an opportunity to resolve any discrepancy by providing proof or designating a suitable collateral source. The case manager must include case notes in the computer system regarding the clarification received.

531 Addition of Required Household Members

Re-determine eligibility when a required household member moves into the home or a household member already in the home becomes a required household member and adjust subsidy benefits accordingly. Overpayments and underpayments are made if the member is not added timely.

531.1 Timely Reporting

If the addition of the required household member results in an increase to the subsidy benefit, the adjustment is made effective the date the household member moved in or became a required member. Verification is required prior to increasing the subsidy benefit.

EXAMPLE: Client has a child not related to her living with her. On 2/10, the client reports she has adopted this child and it was final on 2/2. The case manager requests a copy of the adoption papers on 2/12 which client provides on 2/20. The child is added to the case and the subsidy increased effective 2/2.

If the addition of a required household member results in a decrease to the subsidy benefit, the case manager must act on the change within ten (10) calendar days whether or not it is verified as long as enough information is provided to update the case (i.e. income etc.). If there is not enough information provided, verification must be requested allowing the client ten (10) calendar days to provide the verification. When the due date falls on a weekend or holiday, the due date is the next working day. Additionally, ten (10) calendar day advance notice of the adverse action is required when decreasing the subsidy.

EXAMPLE: Unmarried couple living together. On 11/27 the client reports they got married on 11/23. On 11/28 the case manger requests verification of the spouse's income. On 12/4 client provides the verification and on the same day the case manager updates the case and sends a Notice of Action reducing the client's subsidy effective 12/15.

If the verification needed to add a required household member is not provided by the date requested, benefits must be terminated for the entire child care household.

NOTE: Advance notice is not required as notice was given at the time of the request for information.

531.2 Untimely Reporting

If the addition of a required member is not reported timely and the change results in a subsidy increase, verification must be received prior to increasing the subsidy benefit. The effective date of the change is the date all required verifications are received by the Child Care Program.

EXAMPLE: On 2/10, the client reports one of her children moved back in with her on 1/15. The case manager requests verification on 2/12 which client provides on 2/20. The child is added to the case and the subsidy increased effective 2/20.

If the change results in a subsidy decrease/termination and enough information is provided to update the case, the decrease/termination is effective allowing adequate notice of adverse action. If there is not enough information provided, verification must be requested allowing the client ten (10) calendar days to provide the verification. When the due date

falls on a weekend or holiday, the due date is the next working day. The case manager must update the case within ten (10) calendar days, making the reduction effective allowing advance notification of the adverse action.

> **EXAMPLE:** On 11/27 client reports she got married on 9/12 and provides a statement regarding her spouse's monthly income. On 12/4 the case manager updates the case and makes the decrease in the subsidy benefit effective 12/15. Additionally an overpayment is evaluated from 9/23 (ten (10) days adverse) through12/14.

> **NOTE:** If the required household member is active in another household, they must be removed from the original household and added to the new household. If this is not reported timely, add the new member effective the date it was reported or discovered and overpayments will be calculated for the original household.

If information or verification needed to add a required household member is not provided by the date requested, benefits must be terminated for the entire child care household.

> **NOTE:** Advance notice is not required as notice was given at the time of the request for information.

531.3 Underpayments/Overpayments

If a client is due an underpayment it must be calculated:

- if reported timely from the date the required member moved in or became a required member; **or**
- if reported untimely, from date the required verifications are received

Reimbursements may be made directly to the client or through a subsidy credit with the provider. Resolution must be acceptable by all parties (Child Care Program staff, client and/or provider if applicable).

> **NOTE:** If an underpayment is due when there is an existing overpayment balance, the entire amount of the underpayment is offset against the overpayment balance. **NO** underpayment may be issued against a closed case when there is an existing overpayment balance.

If the change resulted in the household receiving benefits they were not eligible for, the case must be evaluated for an overpayment and an Intentional Program Violation (IPV), if applicable.

Determine the period of overpayment using the following method:

1) Determine the date the household member became a required member or a required member moved into the home.

2) Add ten (10) calendar days for advance notice to this date.

3) The resulting date is the first day of the overpayment period.

532 Changes Increasing Subsidy Benefits (Other Than Required Household Members)

The effective date of the increase to the subsidy benefit is the date the change was reported by the client or the change was discovered/verified by Child Care Program staff and/or DWSS, regardless of when the change actually occurred. Verification of the change is required prior to increasing a subsidy benefit.

532.1 Complete Report of Change

If the household reports a change and all needed verification is received, the case manager must update the case and provide the household with a new Certificate and Notice of Action listing the changes.

> **EXAMPLE:** Client reports on 12/13 that she changed jobs and her income has decreased and she provides a statement from her employer verifying her new income. On 12/22 the case manager updates the case increasing the subsidy effective 12/13.

532.2 Incomplete Report of Change

If the household reports a change without verification to update the case, no action should be taken until the reported information is verified. The case manager must send a Request for Information form, 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day. If the verification is received within the required time period, the effective date of the increase is the date the change was reported. If the verification is not provided, benefits must be terminated immediately.

> **EXAMPLE:** On 12/8, client reports she is no longer working but she has gone back to school. The case manager sends an RFI on 12/18 to verify this information. The verification is received on 12/28. On 1/4 the case manager updates the case increasing the subsidy effective 12/8.

NOTE: Advance notice is not required as notice was given at the time of the request for information.

Exception: Victims of Domestic Violence approved for a fictitious address through the Secretary of State's CAP program must be allowed seventeen (17) calendar days to provide verifications due to mail forwarding.

532.3 Underpayments

Normal budgeting rules must be applied when determining if an increase to a previously paid benefit month should be considered due to changes in the household. For all underpayments, the effective date of the change is the date it is reported by the assistance unit or the date the change is discovered by the Child Care Program or DWSS, regardless of when the change actually occurred.

If it is discovered that the Child Care Program staff made a mistake in determining the household's eligibility, which resulted in an underpayment, the household must be paid the difference. The underpayment must be calculated beginning on the date the incorrect decision was made. Reimbursements may be made directly to the client or through a subsidy credit with the provider. Resolution must be acceptable by all parties (Child Care Program staff, client and/or provider if applicable).

NOTE: If an underpayment is due when there is an existing overpayment balance, the entire amount of the underpayment is offset against the overpayment balance. **NO** underpayment may be issued against a closed case when there is an existing overpayment balance.

533 Changes Reducing/Terminating Subsidy Benefits (Other than Required Household Members)

If a change reduces or terminates the subsidy benefit, determine the effective date by applying a ten (10) calendar day adverse period (refer to section 502) if applicable. Act on the change within ten (10) calendar days after the change is reported or discovered and send a Notice of Action to the client. Verification of the change is **not** required to decrease/terminate a subsidy benefit.

If a NEON funded client is terminated from child care subsidy, the Child Care case manager must immediately notify in writing the DWSS case worker and/or Employment & Training Specialist/Social Worker and the child care provider.

533.1 Complete Report of Change

If the household reports a change and provides enough information to reduce/terminate the subsidy benefits, the case manager must act on the change whether or not it is verified. The case manager must update the case within ten (10) calendar days, making the reduction/termination effective allowing adverse action, unless advance notice is not required as stated in manual section 502. Termination dates must not be backdated.

> **EXAMPLE of Adverse Required:** Client reports on 10/2 that she received a $1.00 per hour raise on 9/28. The case manager takes the action on 10/10 that decreases the subsidy and sends a Notice of Action to the client on the same day. The day after the notice is sent is the first day of the ten day adverse period so the effective date of the subsidy benefit decrease is 10/21.

If needed, the case manager must send a Request for Information, Form 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. If the verification is not provided, benefits must be terminated immediately.

> **NOTE:** Advance notice is not required as notice was given at the time of the request for information.

> **Exception**: Victims of Domestic Violence approved for a fictitious address through the Secretary of State's CAP program must be allowed seventeen (17) calendar days to provide verifications due to mail forwarding.

533.2 Incomplete Report of Change

If the household reports a change without sufficient information to update the case, the case manager must send a Request for Information form, 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day. If the verification is received within the required time period and advance notice of the adverse action is required, the effective date of the decrease/termination is ten (10) calendar days after the date the Notice of Action is sent. If advance notice of the adverse action is not required, the effective date is the day following the day the action is taken by the case manager. If the verification is not provided, benefits must be terminated immediately. (Refer to manual section 502.)

EXAMPLE: On 12/8, client reports she is no longer going to school but is now working. The case manager sends an RFI on 12/18 to verify the new income. The verification is received on 12/28. On 1/4 the case manager updates the case decreasing the subsidy effective 1/15.

533.3 Determining an Overpaid Period

If the change resulted in the household receiving benefits they were not eligible for, the case must be evaluated for an overpayment and an Intentional Program Violation (IPV), if applicable.

Determine the period of overpayment using the following method:

1) Determine the date of the change.

2) Add ten (10) calendar days for advance notice, if applicable. (Refer to manual section 502.1, Adverse Actions Not Requiring Advance Notice).

3) The resulting date is the first day of the overpayment period.

NOTE: This process is not used for households that receive a lump sum. Refer to manual section 344 for further information.

534 Notification to the Household

Clients must receive a Notice of Action, form 2158-WC, when changes are made to their case, regardless if the benefits have been increased/decreased. If the household's benefits have been increased or decreased, they must also receive a new Certificate.

534.1 Notice of Action

The Notice of Action, form 2158-WC, must advise the household the reason for the case record change, benefit increase/decrease amount and the effective date of such action.

NOTE: If a corrected notice is sent, a new adverse period is created. Action to deny or terminate benefits based on the original notice no longer applies.

534.2 Certificate

The original Certificate must be signed and dated by the case manager or program staff and kept in the eligibility case file and copies provided to:

- The applicant; **and**
- The provider; **and**
- The DWSS case worker/NEON case manager/Social Worker if the client is receiving TANF, Food Stamps and/or Medicaid assistance from DWSS.

535 Changes Affecting Funding Categories

If changes are reported in the middle of a certification period which necessitate the transfer of funding categories, benefits may continue without the client submitting a new application. However, if a NEON funded household is no longer eligible for NEON subsidy (i.e., TANF eligibility ceased) the case manager must independently verify all eligibility elements, via a Request for Information, form 2156-WC. If the client provides the information within the requested time period, the case manager must transfer the case to the new funding category and reallocate funds if necessary. If the client fails to provide the information, benefits must be terminated immediately.

If it is determined a household was served from an incorrect funding category, the client must be transferred to the correct funding category on the date which the Child Care Program staff receives the formal notification. If formal notification is not received, the change must occur on the date on which it is discovered by the Child Care Program staff. A reallocation of funds and an overpayment/underpayment for the co-payment responsibility for the past period is not required.

> **Example:** If an At-Risk client is pending TANF and is later approved for TANF benefits, a new referral requesting the client receive a NEON funded subsidy is needed. The case manager must change the funding category to NEON beginning with the start date listed on the referral (as long as it is not prior to the issuance date). Child care benefits already received while the TANF decision was pending must not be reevaluated.

536 Purpose of Care Changes

If the client's purpose of care, for which they were certified, ceases, the household must be terminated immediately. However, if the client reports a change in purpose of care or a change in the purpose of care is discovered, the case must be evaluated with the new circumstances.

EXCEPTION: If the client is no longer eligible under the NEON funding category, the case must be denied/terminated and the client must reapply for benefits under another funding category.

During a break in purpose of care, the client must not have use subsidized child care. If it is determined that care was used, the child care staff must evaluate the case for an IPV and/or overpayment.

Examples:

- if employment has ceased, the individual may be eligible for job search through the Child Care Program. The client must report their change in circumstances within ten (10) calendar days from the date the employment ceased and have not used child care during the time between employment ending and the approval of child care for the job search. Refer to manual section 421 for additional job search requirements.

- if client becomes employed while approved for job search subsidy. The certificate can be updated appropriately without advance notice and extended but must not exceed a total 6 month certification period.

- a client has changed jobs or other approved activity;

- Students, whose school semester has ended, may be eligible for benefits the following semester without being placed on the waiting list as long as all other eligibility requirements are met at the time of reapplication.

  If the student has an alternate purpose of care during the semester break, such as employment, benefits may continue under the appropriate eligibility and funding category until school resumes. At that time, the household would need to reapply and provide verification of their student status and schedule.

537 Reserved

540 REAPPLICATIONS

At-Risk and Discretionary funded households must re-qualify for benefits at the end of each certification period to continue to receive assistance. Refer to section 541 for information regarding reapplications for NEON funded households.

For certification periods greater than thirty (30) days, the household must be notified in writing prior to the end of the certification period they must reapply. The household must submit a new application for benefits prior to the end of the current certification period to be considered a timely reapplication.

If funding is not available and the household reapplies for benefits prior to the end of their current certification period and all eligibility requirements are met, they may receive continued benefits without being placed on a waiting list. If the household submits an application after the end of their certification period and funding is not available in the category for which they qualify, they may be placed on a waiting list.

Verification used to re-establish eligibility must be current (within the last thirty (30) days). The case manager must review the previous thirty (30) or sixty (60) days of income, whichever is appropriate per manual section 390, to project the future income. If the client is changing jobs or anticipates a change, their income must be projected as explained in manual section 393.

If all required verification is not received with the application, the household must be allowed at least ten (10) calendar days to provide the information. When the due date falls on a weekend or holiday, the due date is the next working day. If the information is not received within the requested period, the case remains terminated at the end of the original certification cycle and a Notice of Action (denial), form 2158-WC, must be sent to the household.

If the verification is received within the requested period and all other eligibility requirements are met, the case manager must take action on the application within ten calendar days from the date the verification is received.

> **NOTE:** Each time a reapplication is processed, new INTERVIEW screens must be entered in the CCMS.

541 Reapplications for NEON Funded Households

Once a client has been approved for a NEON funded subsidy, a new application, Service Agreement and Program Penalties form is not required to continue receiving NEON funded services unless an interruption in TANF benefits has occurred since the previous referral was received.

When a subsequent referral is received, the case manager must verify through NOMADS the client is still receiving TANF benefits. If so, the certification period is approved based upon the requested time period on the new referral (not to exceed three (3) months) and adjust the schedule if necessary. If a discrepancy is identified between the child care information, NEON referral and/or NOMADS screens, the case manager must attempt to resolve the issue, however, services to the household must not be delayed.

CCMS must be updated with any new information and new INTERVIEW and MAINTAIN screens must be entered using the date the eligibility is determined as the interview date. The client does not need to be present when eligibility is being recertified.

If the child care certification period has expired and a new referral is received, the new certification period should be based upon the dates requested on the new referral as long as the start date is not prior to the issuance date. If the requested start date is prior to the issuance date, child care benefits should be approved from the issuance date forward and the case manager should request the DWSS worker contact the Child Care & Development Chief to request approval of the retroactive benefits.

In addition, if the referral is received after the referral issuance date, NEON subsidy benefits can be approved back to the referral issuance date without prior approval from the Child Care & Development Chief. However, if the referral issuance date is greater than fourteen (14) calendar days from the date of the interview the child care case manager must contact the DWSS worker to ensure the referral information is still valid prior to approving the benefits.

NOTE: If an in-person interview is being conducted the case manager can request the client complete an application, Service Agreement and Program Penalties forms, however services must not be delayed while waiting for these forms to be completed.

550 RIGHT TO APPEAL

An appeal may be requested by a household member or an authorized representative on any action to deny, reduce or terminate benefits. A household member can also appeal the citing of an overpayment or an overpayment amount.

551 Time Period for Submitting an Appeal

Negative Actions:

To appeal a negative decision made by the Child Care Program office, the client and/or authorized representative must either complete the Notice of Appeal section or form 2158-WC or submit a written request to the appropriate Child Care Program office, DWSS District Office or Central Office within fourteen (14) calendar days from the date of the Notice of Action. The day after the notice date is the first day of the fourteen (14) day period.

If an appeal request is received after the fourteen (14) day period, the household must be notified in writing the appeal has been denied.

The appeal request and any correspondence with the household regarding the appeal must be kept in the eligibility case file.

Overpayments:

To appeal an overpayment, the household must submit the request in writing within ninety (90) days from the date on the Notification of Debt, form 2521-EG. The day after the notice date is the first day of the ninety (90) day period.

552 Continued Benefits

Households are entitled to continued benefits if the request for an appeal/hearing is received no later than 14 calendar days after the effective date of the proposed action. Assistance continues unchanged until the appeal/hearing decision is made unless a written request benefits not be continued is provided; or the Hearing Officer determines there is no need for a hearing.
If the household receives continued benefits pending the outcome of the appeal and/or hearing, the household must repay any EXCESS benefit received during this time period once the issue is resolved.

Benefits are not continued if:

- the client's request is received after the fourteen (14) day period;
- a change affecting the client's subsidy occurs after the appeal, but before a decision is given and the client does not request an appeal after receiving notice of the change;
- federal law or regulations require reduction or termination of benefits;

- benefits are reduced or terminated as a result of mass change without individual notice of adverse action. Benefits can only be reinstated if the issue being appealed is a misapplication of policy or benefits were improperly computed.

553 Reducing or Ending Benefits Before the Appeal/Hearing Decision

Benefits continued or reinstated during the appeal process cannot be reduced or ended before the hearing decision unless:

- another change adversely affects the household and the later change is not appealed; **or**
- a mass change affects the household's eligibility. (Benefits must be adjusted accordingly.); **or**
- the certification period expires.

554 Appeal Procedures

Within ten (10) calendar days of an appeal request, the designated Child Care Program staff must review the case action for accuracy and supporting evidence and attempt to resolve the contested action either in writing and/or verbally with the household. Every effort is made to reconcile the disagreement without the necessity of a hearing. However attempted resolution at the program office level **DOES NOT** in any manner affect the right to a hearing.

The Child Care Program staff must attempt resolution through one of the following pre-hearing methods:

- WRITTEN RESOLUTION

  The written resolution must include the reason for the denial and cite applicable manual sections used in the original decision. Included with the written resolution response, the household must be provided the Appeal Results, form 2155-WC, which gives them the opportunity to request a hearing. Copies of the written resolution must be kept in the eligibility case file.

  If the client wishes to pursue a hearing, the request must be submitted to the Child Care Program office within ten (10) calendar days of receiving the written response.

- IN-PERSON CONFERENCE

  If a conference is held with the household, the Child Care Program representative must complete the Appeal Results, form 2155-WC, at the end of the meeting, detailing the conference and the outcome. The client/representative must complete Section II of the form marking whether they wish to pursue the matter in a DWSS hearing. The Appeal Results, form 2155-WC, must be signed by the Child Care Program representative, client and/or authorized representative. A copy of the Appeal Results form must be kept in the eligibility case file.

HEARING REQUEST

If the client wishes to pursue a hearing, a copy of the appeal resolution documents and the hearing request must be forwarded to the DWSS Hearing Officer at the following address within three (3) business days:

DIVISION OF WELFARE AND SUPPORTIVE SERVICES
Hearings Unit
701 North Rancho Dr.
Las Vegas, NV 89106

In addition, a copy of the hearing request must be forwarded to the Chief of Child Care and Development.

555 Dismissal or Withdrawal of an Appeal Request

If the contested action is reversed after receiving an appeal request, a report must be prepared by Child Care Program staff explaining the reasons for the action. The report must be kept in the eligibility case file.

If the appeal request is withdrawn by the client or authorized representative, and continued benefits was requested, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate, etc.).

555.1 Restored and/or Increased Benefits

At the time of the appeal resolution, either in-person or in writing, it is determined that the client is entitled to restored and/or increased benefits the following procedures apply:

NO ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED

Within ten (10) calendar days from the date the appeal resolution is completed, benefits for future months must be restored/increased and all benefits for the current and past months for which the household is eligible are to be supplemented.

ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED

At the time of the appeal resolution, the household must be provided a Request for Information, Form 2156-WC, which identifies information needed to determine eligibility. The household must be allowed at least ten (10) calendar days to provide for the needed information to be provided.

All needed information requested is received:

- within ten (10) calendar days of the receipt of information, benefits for future months must be increased and/or benefits supplemented for the current and past months.

Part, but not all, of the information requested is received:

- within ten (10) calendar days from receipt of the information/ verification, benefits must be increased or supplemented accordingly for each month the information/verification is provided.

  NOTE: The household's statement is acceptable verification if no other information is available. Restored benefits should not be denied solely because a third party refuses to provide verification. Upon request, Child Care Program staff may assist the household in obtaining the needed verification.

560 HEARING PROCEDURES

561 Scheduling and Location of Hearing

Upon receipt of the Appeal Results Form, 2155-WC, the DWSS Hearing Officer notifies the household and appropriate Child Care Program staff of the date, time, and location of the hearing. The household is given at least ten (10) calendar days advance notice prior to the scheduled hearing unless they request the hearing be held in a shorter period of time. At the discretion of the Hearing Officer, a hearing may be postponed if requested by either party.

Hearings may be conducted by telephone when agreed to by all parties and acknowledged in writing. The telephone hearings will be tape-recorded.

562 Dismissal or Withdrawal of a Hearing Request

If the contested action is reversed after receiving a hearing request, Child Care Program staff must prepare a report explaining the reasons for the action. The report must be forwarded to the DWSS Hearing Officer prior to the date and time set for the hearing. The Hearing Officer notifies the household the hearing is dismissed because the action, which precipitated the request, will not be taken.

If the client withdraws the hearing request, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate, etc.) and any excess benefits the household received during the pending period must be referred to DWSS Investigations and Recovery for collection.

A hearing is considered abandoned when neither the household nor their authorized representative appear for the scheduled hearing, unless the Hearing Officer finds good cause for failing to appear. Substantiation of good cause must be received within ten (10) days of the date of the scheduled hearing.

563 Timely Actions on Hearings

Within ninety (90) calendar days after the request for a hearing has been filed and after the hearing is completed, the Hearings Officer must notify the household and appropriate Child Care Program staff of the hearing decision. If the hearing is lost, the previously contested action must be taken and the household is required to repay any EXCESS benefit received for the period of time during which the hearing was processed.

If necessary to restore or increase benefits, refer to manual section 555.1.

If either the client or agency wishes to dispute the hearing decision, they must do so through the appropriate local District Court.

Provider Information

600 PROVIDER INFORMATION

601 Introduction

Clients have a choice in selecting a licensed or registered child care provider. The Child Care Program staff must not recommend or endorse any child care provider programs or services. Families should be encouraged to visit and interview several provider sites prior to making a final decision.

The following individuals are not allowed payments for providing child care services:

- The natural/adoptive parents or legal guardians, whether or not they are living with the child; **or**

- Anyone living in the same residence as the child, unless the child is verified to have a special need; **or**

  NOTE: To be considered a separate residence each dwelling must be self contained (have its own kitchen, bathroom, bedroom, etc.), have its own mailing address recognized by the U.S. Postal Service and a separate utility meter for the applicable utility company.

- Anyone who is a parent/caretaker on their own subsidy case (i.e., an individual cannot simultaneously be an applicant/recipient of the Child Care Program and receive payments as a child care provider).

610 PROVIDER TYPES

There are five (5) types of providers in the Child Care Program.

The child care types are:

1. Licensed Child Care Center, Nursery School, Preschool - 13+ children
2. Licensed Group Home – 7 to 12 children
3. Licensed Family Care Home – 1 to 6 children
4. Informal Care - Must be registered with the Child Care Program

5a. Before and after school-Unlicensed Care Center

5b. Before and after school-Unlicensed Care Center (track, summer or holiday break)

611 Licensed Providers

Providers must be licensed, if required by state or local statute or regulation, to be paid through the Child Care Program. Providers not required to be licensed must be registered with the Child Care Program Contractor.

All providers licensed through a state or county licensing agency must adhere to the state or local child care licensing statutes/regulations, including maintaining the applicable child/caregiver ratios and authorized hours/days of operation. If child care staff discovers a provider has violated any licensing requirements, they must report the violation to the appropriate licensing agency using the CPS & Child Care Licensing form 2170-WC/A or B and follow procedures in MS 690.

612 Registered Providers

If the providers are unlicensed, they must:

- Be at least 18 years of age; **and**
- Be a U.S. citizen or Lawful Permanent Residence; **and**
- Provide a Social Security Number; **and**
- Have a working telephone for emergency situations; **and**
- Out of home non-relative providers must have a current negative TB test or good health statement from a medical professional at initial enrollment and then every two years as long as they are enrolled as a subsidy provider; and
- Participate in mandatory health and safety training as defined by the DWSS Child Care Chief; and
- Maintain a smoke detector, fire extinguisher and a first aid kit, replacing/servicing these items as necessary.

In addition to the above requirements, unlicensed providers must meet all state, county, or city child care provider requirements which are in effect within the jurisdiction in which they provide services.

If clients choose to use an informal provider (unlicensed), the provider must sign a provider service agreement and provider program penalty form (MS 621) and complete a provider packet to be eligible for the Child Care Subsidy Program. The provider must be allowed at least ten (10) calendar days to submit all required information.

If the required information is received within the requested time period, reimbursements can begin with the date the service agreement is signed. If the required information is not received by the 10th calendar day,

reimbursements will begin with the date the Child Care Program office received all the required information. The parent is responsible for payment to the provider for any days not covered by the Child Care Program. Any exceptions must be submitted to the DWSS Child Care Chief, for special consideration.

The client must be notified in writing if the provider is not eligible through the Child Care Program. Services are not covered until the provider cooperates or until they choose a new provider that is eligible.

The Child Care Contractor(s) is responsible for inspecting all non-licensed providers being reimbursed with CCDF (Child Care Development Fund) funds to ensure they are complying with minimal health and safety requirements.

> **Exception:** In-home care and care provided by a "qualified relative" is exempt from health and safety requirements. A qualified relative is defined as a grandparent, great-grandparent, uncle, aunt, or adult sibling living in a separate residence.

612.1 Computer Matches

Registered providers must be notified in writing that the information they provide to the Child Care Program will be matched against other public assistance programs computer systems and any income received for the reimbursement of services must be reported to the appropriate public assistance program office.

613 In-Home Care

Registered providers who offer in-home services (child care provided in the child's home) must care for a minimum of two (2) subsidy children to be eligible as an in-home provider.

620 PROVIDER REQUIREMENTS

621 Service Agreement

The Child Care Contractor must initiate a Service Agreement with each provider. The Service Agreement must detail the requirements of the provider while participating with the Child Care Program. For providers who are licensed through a state or county licensing agency, the Service Agreement must notify providers of their requirement to adhere to all state and county regulations.

All providers must read and sign the Service Agreement prior to being approved as a provider. Payment for services will not be made for periods prior to the signed contract. The provider must sign a new Service Agreement annually or more often if necessary due to amendments in the Service Agreement. The original signed document must be kept in the provider case file and a copy given to the provider for their records.

NOTE: If it is determined that **any** provider has not adhered to provisions of the Service Agreement child care staff must follow procedures in MS 690. Additionally, If child care staff discovers a licensed provider has violated any licensing requirements, they must report the violation to the appropriate licensing agency using the CPS & Child Care Licensing form 2170-WC/A or B and follow procedures in MS 690.

621.1 Provider Penalty Form

The Child Care Contractor must initiate a Provider Program Penalty form 2101-WC with all providers. The Provider Program Penalty form gives detailed information about changes the provider must report, the provider's limitations in billing the program for services, and the repercussions for failing to report such changes and/or bill properly. It also gives information regarding the penalties for making false or misleading statements or concealing/withholding facts to establish or maintain program eligibility.

Providers must read, initial, sign and date the Provider Program Penalties form prior to being approved as a subsidy provider. The provider must sign a new Provider Program Penalty form annually or more often if necessary due to amendments of the form. The original signed document must be kept in the provider case file and a copy must be given to the provider for their records.

622 Health and Safety Standards Home Visit

Under CCDF regulations, child care providers must meet minimal health and safety standards, unless care is provided in the child's home (in-home care) or is provided by a "qualified relative."

All registered providers who provide care in their home are subject to a home visit within forty-five (45) calendar days of enrollment and a minimum of twice annually thereafter.

During the home visit the following areas must be examined:

- Educational/entertainment materials and equipment, **and**
- Environment, **and**
- Safety concerns.

The following items **must** be present:

- Operational Fire Extinguisher
- Operational Smoke Detectors
- First Aid Kit and Supplies

If the provider is found to be in non-compliance at the home visit, they must be given up to thirty (30) calendar days to make the noted corrections. A follow-up visit must be scheduled. If improvements are not made within the required time period, the provider must be terminated from the subsidy program.

> **Exception:** In-home care and care provided by a "qualified relative" in their home is exempt from this requirement, unless requested by the parent or provider. Recommendations for improvement must be made in writing to the parent and provider. If recommendations are not pursued by the parent or provider termination must not occur.

If at any time the contractor believes the health and/or safety of the child is at risk, regardless of the type of care, the contractor must assess the situation to validate if a report with the Department of Child Protection Services should be made. . If there is validation for a report, the CPS & Child Care Licensing form 2170-WC/A or B will be completed, the original copy sent to the applicable licensing agency and a copy of the form kept in the provider file.

623 Informal Home Visits

Unannounced visits to providers are allowed when the Child Care Contractor believes that compliance with the program rules and/or regulations or the health and safety of the children receiving subsidized benefits are compromised. Recommendations for improvement to the property must be made in writing to the provider and parent/caretaker. If the improvements are not made, termination from the subsidy program will result.

If at any time the contractor believes the health and/or safety of the child is at risk, the contractor must file a written report with the Department of Child Protection Services using the CPS & Child Care Licensing form 2170-WC/A or B.

624 Immunization Records

All providers are required to keep the child's immunization record on file and verify with the parent it is kept current. These records must be made available to Child Care Program staff upon request.

Exceptions:

- In-home care and care provided by a "qualified relative" in the relative's home is exempt from this requirement;
- The parent/caretaker submits a signed statement which declares immunizations are contrary to their religious beliefs; **or**
- The child has a medical condition that prohibits immunization and this is verified by a physician's written statement.

NOTE: This requirement must be noted in each provider's contract/service agreements.

625 Cooperation with Child Care Program Requirements

The provider is required to cooperate with the Child Care Program in securing all information needed to determine initial or continuing eligibility. Failure to do so results in denial or termination from the program.

626 Cooperation with Division of Welfare and Supportive Services (DWSS)

Provider records may be selected by DWSS to be reviewed as to the accuracy of subsidy benefits paid or allotted. Providers are required to cooperate with the review process. Failure to cooperate can result in an overpayment for the review month. If the provider fails to cooperate, DWSS will notify the Child Care Contractor in writing of non-cooperation. If the provider contacts the office wishing to cooperate, the contractor must advise the provider to contact the applicable department responsible for reviewing the case (i.e., Investigations or Quality Control).

NOTE: This requirement must be noted in each provider's contract/service agreement.

630 PROGRAM RATES/ALLOWABLE FEES

631 Care Level

Rates are established based on the age of the child. Care levels have been established for five (5) age groups within the Child Care Program, which are:

- Infant – newborn up to 1 year.
- Toddler – 1 year up to 3 years.

- Preschool – 3 years up to 6 years.
- School Age – 6 years up to 13 years.
- SPCR – Special Needs, 13 years to up 19 years (manual sections 210 and 215).

NOTE: Care level changes are effective on the child's birthday.

632 Provider Rates

The provider can charge any rate~~,~~ however, the Child Care Program will only pay **up to** the State Maximum Daily Rates based on provider type, care level and geographical area (manual section 633.1).

At the time a provider is enrolled with the subsidy program, they must declare their daily rate for each of the care levels recognized by the Child Care Program. If a provider does not offer a daily rate but they offer weekly or hourly rates, the contractor must use the following procedures to determine the provider's daily rate:

- If a provider only charges by the hour, the hourly rate must be multiplied by 10 (9 hour workday + 1 hour travel time).

- If a provider only charges a weekly rate, the weekly rate must be divided by 5.

- If a provider offers multiple rates for age groups within a care level category, the various rates within the care level group must be averaged to determine the daily rate.

NOTE: The Child Care Program does not recognize multiple child discounts~~,~~; therefore they are not to be considered when determining the least expensive rate.

Providers must not charge a subsidized client a different rate than the general populous.

It is the provider's responsibility to inform the contractors of any rate changes they may have. Changes must be reported in writing and the Child Care Contractor must implement the changes no later than the second month following the month it was reported.

633 State Maximum Rates

Every two years the maximum rate is evaluated for each care level provider type and geographical area as determined by DWSS. If a provider's fees exceed the State Maximum Rate, the client is responsible for payment of the overages to the provider.

If a provider is being paid at the State maximum rate and a state rate increase occurs, the provider records must be reviewed to determine if they provider will continue to receive the state maximum rate or the provider's reported rate (whichever is less). This process must be completed by the effective date of the state maximum rate change.

633.1 Daily Rates

Market Area	Provider Type	Infants (0 up to 1 yr)	Toddlers (1 yr up to 3 yrs)	Preschool (3 yrs up to 6 yrs)	School Age (6 yrs and older)
CLARK COUNTY:					
	Provider 1	31.00	28.00	23.00	19.00
	Provider 2	28.00	24.00	21.00	21.00
	Provider 3	30.00	27.00	26.00	23.00
	Provider 4	23.00	20.00	19.00	18.00
	Provider 5	N/A	N/A	15.00	15.00
WASHOE COUNTY:					
	Provider 1	35.00	30.00	26.00	26.00
	Provider 2	28.00	24.00	21.00	23.00
	Provider 3	31.00	27.00	24.00	23.00
	Provider 4	23.00	20.00	18.00	17.00
	Provider 5	N/A	N/A	15.00	15.00
CARSON/DOUGLAS COUNTIES:					
	Provider 1	29.00	24.00	24.00	21.00
	Provider 2	24.00	23.00	21.00	21.00
	Provider 3	27.00	24.00	22.00	22.00
	Provider 4	20.00	18.00	17.00	15.00
	Provider 5	N/A	N/A	15.00	15.00
RURAL COUNTIES: *(Churchill, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, Storey, White Pine)*					
	Provider 1	27.00	24.00	22.00	19.00
	Provider 2	24.00	23.00	21.00	21.00
	Provider 3	24.00	22.00	21.00	21.00
	Provider 4	18.00	17.00	16.00	16.00
	Provider 5	N/A	N/A	15.00	15.00

PROVIDER TYPE CODES

1 = Licensed Child Care Center, Nursery School, Preschool. (Over 13 Children)
2 = Licensed Group Care Home. (7-12 Children)
3 = Licensed Family Care Home. (1-6 Children)
4 = Informal Care
5 = Before & After School Unlicensed Care Center

634 Reimbursable Fees

The Child Care Program will pay up to $40 per child in registration and/or annual fees per calendar year. In addition, the registration fee can only be paid if the child is enrolled and attends the facility during the month the registration fee is being charged.

635 Non-Reimbursable Charges

Child care payments are not made for:

- Transportation (i.e., to and from school)
- Special activities or meal fees charged by a facility
- Absences of the child from a child care facility beyond the specified time limits (manual section 643)
- Absence of the participant from required activities (may result in client overpayment)
- Two week advance notice for provider change/termination
- Late charges
- Tuition for private K-12 education
- Clothing/uniforms
- Overtime

640 ATTENDANCE

641 Hours in Attendance

Attendance must be noted on the time sheet and billed as follows:

15 minutes to 4 hours and 29 minutes = Part-time rate

NOTE: The part time rate is the least expensive daily rate divided by two.

4 hours, 30 minutes and greater = Full-time or Daily rate

Exception: For school-age children, full-time care is considered when care is provided for 3 hours or more. In addition, if the provider transports the child to/from school this time period is included when determining the child's attendance time.

Attendance of fourteen (14) minutes or less will not be eligible for reimbursement. In addition, 24-hour care is not eligible for reimbursement. Anyone in care in excess of 14 hours in a 24-hour day may be referred to CPS using the CPS & Child Care Licensing Report form 2170-WC/A or B.

642 Attendance Records

All providers are required to keep attendance records for each child receiving child care subsidy benefits. An attendance record must include the provider's signature and date the attendance record is validated by the provider. The date cannot be prior to the attendance month.

Reimbursements will be processed based upon the signed and dated attendance record from the child care provider which must include, at a minimum:

- The name of the provider; and
- The provider ID; and
- The enrollment/attendance period (Month and Year); and
- The child's first and last name; and
- The child's identifying information such as Social Security number, date of birth, etc.; and
- The entry and exit time for each day the child attended the facility; **and**

  NOTE: For before and after school programs, providers are required to include an entry and exit time for both morning attendance and afternoon attendance. Billing for a full time day when only a part time day is warranted based on school attendance will be considered a provider violation, and an overpayment will be established against the provider for the incorrectly billed days.
- The signature of the individual who dropped off/picked up the child.

  NOTE: Computer generated attendance logs which do not require the parent/caretaker's signature are acceptable, as long as they include all of the required information listed above.

If the parent/caretaker has not signed the child in/out for each day of attendance during the service month, they must sign and date the attendance record certifying the information listed is truthful and accurate to the best of their knowledge.

NOTE: For some school age programs, the child may enter and exit the facility without being accompanied by an adult. In these instances, it is expected that a member of the faculty will enter the entry/exit times. Reimbursement can still occur as long as the parent has designated the facility as a secondary representative who can authorize reimbursement without the parent's signature. Prior to reimbursement, the parent and facility representative must complete the Designation of Authorized Representative, Form 2163-WC.

If the timesheet does not include all sign-in and sign-out times for the child, the provider will not be reimbursed for that day. In addition, if staff has reason to believe the child was in school during the reported period on the timesheet, school attendance should be requested before payment is made. In the event the school attendance draws a red flag, the case will be referred to DWSS I&R unit and could result in a provider penalty and overpayment.

If a client fails to sign for the daily attendance or at the bottom of the timesheet, the provider can still be reimbursed as long as the parent/caretaker is not a current client of the provider once the supporting verification of attendance is received (i.e., classroom attendance record). If supporting verification is not available, the provider's statement can be accepted; however the reason for accepting the statement must be documented in the provider's case notes.

If a client signs in the wrong column (i.e., signs in Discretionary Day column when the child has actually signed in and out for attendance), reimbursement can occur as long as the contracting agency validates the attendance with the client and the contact is documented.

643 Discretionary Days

Each eligible child is allowed fifteen (15) days per calendar year to be absent from care for any reason and the provider can be reimbursed for these days as long as the provider has obtained the parent/caretaker written authorization prior to the reimbursement request.

The client and provider must be notified in writing when all fifteen (15) days have been used. Anything claimed over the fifteen (15) day limitation is the responsibility of the client.

650 CHILD CARE PAYMENTS

651 Attendance Record Due Date

The provider must sign and date the completed attendance record for each eligible child and submit the original record to the Child Care Contractor office once per month by the 5th business day of the month following the service month to be considered timely receipt. It is suggested the provider keep a copy for their records.

> EXCEPTION: Providers approved to submit timesheets via Web Attendance may submit the attendance records weekly, bi-weekly or monthly.

651.1 Processing Attendance Records

The attendance records must be date stamped with the date when the Child Care Program office received the record.

651.2 Stale Dated Claims

Provider billings and registration/annual fees must be submitted no later than the last day of the month following the month of service (e.g. service month of June must have the billings dated stamped received by July 31). Billings submitted after the last day of the month following the service month may be rejected as stale dated and may not be eligible for payment approval.

> EXCEPTION: A delegate agency that determines eligibility (MS 481) will be allowed ninety (90) days after the month of service to submit their billings and registration/annual fees. Billings submitted after ninety (90) days will be rejected as stale dated and may not be eligible for payment approval.

Any provider who has a payment rejected for stale dating may request special consideration for payment approval to the Chief of the Child Care Program via the child care contractor. The special consideration must be in writing (email requests are acceptable) and include the circumstances which warrant the special consideration, the month(s) of service and the amount of the payment for each month requested. A written decision will be issued to the provider and the contracting agency. The Chief's decision is final and cannot be appealed.

652 Provider Reimbursements

Child care reimbursements must be paid at the least expensive rate;~~,~~ therefore, if the provider charges less than the State maximum rate the provider rate must be paid the lesser rate, unless noted otherwise in the policy manual.

Reimbursements must be paid based upon the approved schedule, the approved level of care (FT/PT) as noted on the Certificate and the actual attendance of the child.

> **NOTE**: If a household member's schedule covers a time period which extends between two days (example – 9pm to 9am), this is considered one day of service and the provider is eligible for reimbursement of one day only at a full-time rate.
>
> **NOTE:** In addition, if the child is scheduled for part-time and the parent authorizes a Discretionary Day, the reimbursement must be made at the part-time rate.

653 Provider Payments

Child care subsidy payments must be paid directly to the provider. Other arrangements may be necessary in unusual circumstances and are made at the discretion of the Child Care Program Director/Administrator of the contracting agency.

Payment to the provider for the service period submitted must be sent within thirty (30) business days from the receipt of the timesheet.

The Child Care Contractor is responsible to ensure the child care billings concur with the parent's/caretaker's hours of participation in the approved purpose of care activity. If significant differences occur between the hours authorized on the child care Certificate and the hours indicated on the attendance verification form, further investigation is warranted. Communication may also be necessary between the Child Care Program staff and the DWSS caseworker.

654 Payment Adjustments

There may be times when a provider will bill for days when the child has attended, but was not authorized on the Certificate (i.e., the parent/caretaker works an additional day, school gets out early for parent/teacher conferences, etc.). Prior to payment being made for the unscheduled time/day(s), it must be verified that purpose of care existed. Once verified, an adjustment to the provider payment must be made. The case manager must document the action in the computer system.

655 Provider Underpayments

The Child Care Contractor must resolve all provider underpayments in the next available reimbursement period from the date the underpayment is validated.

If an underpayment is discovered through a Management Evaluation or Quality Control review, the underpayment must be validated by the contracting agency. If the underpayment was due to a mistake of the contracting agency, the supplemental payment must be issued with the next available reimbursement period after validation.

656 Provider Overpayments

If an overpayment is found, the overpayment must be validated by the contractor within sixty (60) calendar days from the date the overpayment is discovered.

The Child Care Contractor is principally responsible for the collection of all provider overpayments. Recovery is accomplished through retention of future provider payments until the debt is retired in whole. If the provider suggests repayment of the debt will cause a hardship they may seek special consideration from the DWSS Child Care Chief. To do so, the provider must submit a written request to the DWSS Child Care Chief fully disclosing the circumstances which warrant special consideration.

If the provider's contract is terminated prior to full repayment of the overpayment, the contractor must refer the debt to the appropriate DWSS I&R office for continuation of the recovery action. I&R referrals must be made using the Child Care Overpayment Referral, Form 2154-WC, and must include all information and evidence used to substantiate/calculate the debt.

If the provider initiates a new contract with the Child Care Contractor prior to full recovery of the debt by DWSS I&R, the contractor must suspend approval of the contract until the remaining overpayment balance is paid. The provider retains the right to seek hardship consideration using the aforementioned process. If a hardship is granted, the Child Care Contactor must submit a written request to DWSS I&R seeking to reclaim the debt and assume responsibility for collection of the outstanding balance through reimbursement reduction.

Overpaid providers are afforded the right to a hearing/conference with the contractor if requested within ninety (90) days from the date of the initial overpayment notice. If requested, the contractor must exercise a full internal review process to assure contractor action is consistent with published policy. Child Care providers **are not** entitled to a hearing before a DWSS Hearing Officer.

657 Attendance/Billing Audits

At the discretion of DWSS, the provider's attendance logs may be compared to the provider reimbursements. Any overpayments/under-payments resulting from the audit must be resolved with the provider.

658 Right to Appeal

Providers have sixty (60) calendar days from the issuance of payment to appeal their reimbursement in writing to the Child Care Contractor. All appeals must be resolved and responded to in writing by the Child Care Program office within thirty (30) calendar days after receipt of the written appeal.

Child Care providers **are not** entitled to a hearing before the Division's Hearing Officers.

659 Attendance Record Retention

After submittal, provider attendance records must be retained by the contractor for a period of thirty six (36) months after the month of reimbursement.

660 USE OF MORE THAN ONE PROVIDER

Clients may have multiple providers for the same child when the following circumstances apply:

- If the child is enrolled with a provider who is not open on weekends, the client may choose to have an additional provider for weekend use only.

- If the child attends a program or facility that is closed routinely for holidays, track breaks, etc., the client may receive an additional certificate for a second provider for use during "track breaks or holidays only." The contractor will request the client to provide a copy of the track break schedule for the child to monitor provider usage. The certificate needs to specifically state that care is authorized for "track breaks and holidays only," etc.

670 PROVIDER CHANGES

Clients can change providers as often as they choose. However, there is a limit to the number and amount of registration fees that will be paid by the Child Care Program. Refer to manual section 634, Reimbursable Fees.

> NOTE: If a client changes from a delegate agency provider to a certificate provider, the client will not be subject to wait list criteria. Additionally, if the change is made mid-month the payment will not be made to the delegate agency due to the child not being eligible for the entire service month (MS 484).

If the client chooses to change providers, they must provide to the Child Care Contractor written verification from the current provider that they do not have an outstanding co-payment balance.

If the client has an outstanding co-payment balance with the current provider, verification must be received stating they have either paid off the outstanding balance or they have signed a Repayment Agreement with that provider to pay off their balance. If the client fails to provide verification within the requested time period, their case must be terminated.

NOTE: If the client is claiming neglect/abuse is the reason for the provider change, they must be allowed to transfer the child to a new provider immediately, even if they have an outstanding co-payment balance. The client must still provide verification that a Repayment Agreement has been signed with the previous provider.

The Child Care Program does not cover late charges or charges for tuition, meals, transportation and/or clothing/uniforms. Therefore, an outstanding balance on these issues must not delay the child care transfer. However, the client should be encouraged to sign a Repayment Agreement.

If the provider refuses to cooperate with providing written verification of the co-payment balance, the case manager must not penalize the client. The transfer must be allowed and the case manager must contact the provider directly to obtain the verification.

A new Certificate must be printed for the new providers and a Notice of Terminate must be given to the previous provider. The case manager must follow the procedures outlined in manual section 144.1 and 537.

The case manager must issue the new Certificate for the remainder of the certification period only. The end date must not extend beyond the original end date.

680 COMPLAINTS AGAINST PROVIDERS

Clients may file a written complaint against a provider through the Child Care Program office. These complaints must be forwarded to the appropriate Licensing Bureau for review within twenty-four (24) hours of receipt.

When child care contract staff have determined a provider has failed to meet child care licensing requirements they must complete the CPS & Child Care Licensing Form 2170-WC/A or B, send the original copy to the applicable licensing agency within twenty-four (24) hours and keep a copy of the form in the provider file.

690 NON-COMPLIANCE

If the Child Care Contractor has determined a provider has not followed licensing requirements or the provisions of the signed Service Agreement and/or has violated program policy the following actions must be taken:

1. Send the provider a Provider Non-Compliance form 2103 A or B detailing the violation, the time period allowed to correct the non-compliant issue and possible sanction(s) if the issue is not corrected. The time period for correction cannot be less than ten

(10) calendar days or greater than thirty (30) calendar days from the date of the notice.

NOTE: For licensed providers who fail to follow the applicable licensing regulations, the CPS & Child Care Licensing Form 2170-WC/A or B must be completed and sent to the applicable licensing agency within twenty-four (24) hours of discovering the violation.

2. The contractor initiating the Provider Non-Compliance form must follow-up with the provider within thirty (30) days of the end of the corrective action period to ensure action has been taken to resolve the non-compliance issue.

3. If the provider fails to correct the issue or fails to maintain compliance with the licensing or program requirements after receiving the Provider Non-Compliance form, the following sanctions will be applied:

   a. First Violation – the provider will be suspended from the Child Care Subsidy Program for ninety (90) days, and will be ineligible for payment for any childcare provided to subsidy families during the sanction period.

   b. Second Violation – the provider will be suspended from the Child Care Subsidy Program for one hundred and eighty (180) days and will be ineligible for payment for any childcare provided to subsidy families during the sanction period.

   c. Third Violation – the provider will be permanently terminated from the Child Care Subsidy program.

      NOTE: If it is determined by DWSS Investigations Unit a provider made false or misleading statement(s), concealed or withheld facts in order to establish or maintain eligibility for a client, or to obtain payment for care for which they were not entitled, the Child Care Chief can terminate a provider immediately. Additionally, the provider may be criminally prosecuted or otherwise penalized according to state and federal law.

4. The penalty period start date must allow for a fourteen (14) day appeal period and a ten (10) day notification to the subsidy participant(s). The day after the request date is the first day of the ten (10) day period.

EXAMPLE: Notification is mailed to the provider on 06/05 that a program sanction of ninety (90) days will be imposed. Allowing for twenty-five (25) days, the penalty period will start on 6/29 and end on 9/26. (This is 14 days for the appeal, one day to send notification to the participant and 10 days for the participant to respond.)

a. If an appeal has not been filed at the end of the fourteen (14) day period, notification will be sent to all participating clients to decide whether to terminate their subsidy case or select a new subsidy provider.

b. If an appeal is filed by the end of the fourteen (14) day period and there is no request for continued services as a subsidy provider, notification will be sent to all participating clients allowing them ten (10) days to decide whether to terminate their subsidy case or select a new subsidy provider.

c. If an appeal is filed by the end of the fourteen (14) day period and an eligible provider requests continued services, child care services will continue until a decision is made by the DWSS Child Care Chief. Notifications will not be sent to the clients until the Chief validates the provider penalty is appropriate based on the appeal.

   i. **Note:** To be eligible for continued services, the provider must not have been suspended or terminated due to loss of their child care license or fraud as determined by the DWSS Investigations Unit.

d. The Child Care Contractor submits the provider's appeal request and any substantiating evidence to the Child Care Chief. The Chief will review the evidence and provide a written decision to the Child Care Contractor.

e. A copy of the Chief's written decision will be placed in the provider's file and a copy will be sent to the provider. If the appeal is upheld, the provider's services with the Child Care Program will continue without interruption.

   If the appeal is denied, the Child Care Contractor will send notification to all participating clients allowing

them ten (10) days to decide whether to terminate their subsidy case or find a new provider. The contractor will send an updated Provider Penalty Notification form 2104-WC with the new timeframe for the sanction, including the ten (10) day notice to the subsidy client(s). Additionally, an overpayment must be assessed from the date the continued services were requested until the ten (10) day notification is mailed to the subsidy participant(s).

Providers may request special consideration from the Child Care Chief via the Child Care Contractor to have a sanction waived. The special consideration must be in writing (email requests are acceptable) and include the circumstances which warrant the special consideration. A written decision will be issued to the provider and the contracting agency. The Chief's decision is final and cannot be appealed.

Refer to MS 700 regarding provider fraud and overpayments.

Investigations, Program Violations & Claims

701 INVESTIGATIONS

Investigations are used to promote program integrity in the Child Care program. Investigations & Recovery staff (I&R) use collateral sources to secure factual information and/or evidence to determine violator intent and program consequence.

702 Objectives

The general objectives of the I&R Unit are:

- Detection, prevention, reduction and identification of program fraud and abuse by applicants/recipients of child care subsidy benefits and/or child care providers. Investigations may lead to administrative action and/or criminal prosecution.

  "Fraud" means an intentional deception or misrepresentation made by a person knowing that by doing so it could result in some type of unauthorized benefit to them or to another person. It includes any act that constitutes fraud under applicable federal or state law.

- Timely recovery of all incorrectly paid program benefits acquired through fraudulent or abusive acts committed by any persons receiving benefits/payments from the Child Care Program.

- Sanction of any and all individuals who willfully violate rules for the Child Care Program.

703 Responsibilities

The Division of Welfare and Support Services (DWSS) I&R Unit are responsible for, in whole or in part:

- Investigation of any individual or group of individuals suspected of attempted or accomplished fraud and/or abuse of any benefit program administered by the Child Care program and funded by DWSS.

- Administrative penalty of Child Care program applicants or recipients who are suspected of intentionally violating program rules.

- Criminal prosecution of individuals suspected of criminal acts against programs administered by the Child Care program, and funded by DWSS.

704 Types of Investigations

Fraud and abuse investigations are broken down into four primary types:

1. Pre-eligibility (after application, but before case approval);
2. Ongoing eligibility (while a client is still eligible for subsidy benefits);
3. Post eligibility (client previously received subsidy benefits, but is no longer on assistance)
4. Provider fraud and/or abuse

705 Investigation Referrals

Child Care staff must review all case circumstances when determining eligibility. When inconsistencies are discovered among prior and current applications, client statements, verifications, etc, staff needs to evaluate if these inconsistencies warrant an investigative referral. Listed below are some examples of "red flags" that case managers should be aware of as these types of issues warrant further clarification and/or investigation.

A RED FLAG GOES UP FOR APPLICANTS/CLIENTS WHEN:

Verifications appear to be altered or completed by applicant

Household costs, i.e. rent, utilities, child care co-payment, are more than the client's claimed income

Client has past history of incorrectly reporting income

Client lives with absent parent's family (but absent parent doesn't)

Client works in a profession that routinely receives tips, but doesn't report receiving them

Newborn is given a last name different than the applicant/client

Children attend school outside their area

Client is self employed and has a Zero net income for a long period of time and indicates they have no living expenses.

Frequent changes in employment or working for an individual that pays cash.

No pay stubs available or unable to contact employer with phone number provided.

Out of state or country NCP that can provide a mutual agreement of child support in less than 2 days from request

If information is discovered that warrants an investigative referral, DWSS or Child Care contractors will make referrals through the I&R Information System (IRIS). If electronic submission is not possible, Investigative Referral Form 2682-AF should be submitted to the I&R office. In the event a DWSS or Child Care contractor employee receives a community complaint or anonymous call, all information must be recorded on a referral form and forwarded to the DWSS I&R Unit.

710 CASE INVESTIGATION

All Child Care program investigations are preformed by DWSS I&R staff and in accordance with rules and regulations as defined in DWSS Administrative Manual Section 3200.

711 Reporting Case Findings

Upon completion of the investigation, the investigator completes an Investigative Follow-Up Form and keeps the original in the investigation case file and forwards copies to the Child Care program office staff who submitted the referral.

If the case is associated with a DWSS public assistance case, a copy of the report may also be forwarded to the appropriate DWSS eligibility caseworker.

720 PROGRAM VIOLATIONS/PENALTIES

Administrative penalties are used to promote program integrity. Applicant/Recipient fraud is a violation of both federal and state law. If convicted, individuals may receive penalties, which include any or all of the following:

Administrative program penalties and/or disqualification

- Criminal conviction
- Full program restitution
- Criminal fines and/or penalties
- Confinement in county, state or federal prison

An intentional program violation (IPV) is an action by the accused for the purpose of establishing or maintaining program eligibility, or increasing or preventing a reduction in the benefit amount when they:

- Made a false or misleading oral or written statement, or misrepresent, conceal or withhold information;
- Committed any act that violates NRS 422A.700 or intentionally violated any rule or regulation established by the DWSS;
- Made an attempt to obtain, increase or continue child care benefits for themselves or others to which they would otherwise not be entitled;
- Received child care benefits to which they would otherwise not be entitled;
- Failed to comply with reporting requirements as set forth in manual section 500;
- Submitted a false document to the Child Care Program Staff and/or DWSS;
- Altered a Child Care Certificate to receive benefits to which they would not otherwise be entitled to.

These actions do not have to result in a claim. If there is potential for erroneous benefits being issued, an IPV may exist. IPVs are addressed in detail in the Investigations & Recovery (I&R) Policy Manual, section 200. Reference should be made to this manual section for issues/events not addressed in this chapter.

Intent may be demonstrated in a number of ways, such as:

- The accused individual had reason to know or had knowledge of the information withheld or misrepresented; or
- The accused individual failed to report or clarify the information withheld or misrepresented during contact with DWSS or Child Care contractor staff, either in person, by mail, by phone, FAX or Electronic Mail; or
- The accused individual has demonstrated the ability to report or clarify required information in the past; or
- The accused individual has a history of previous program violations and/or client caused claims.

The Division of Welfare and Supportive Services (Division) bears the responsibility of proving program violations are intentional acts by the accused individual; however, the presumption of intent may be overcome by the accused when the accused individual can bring forth clear and convincing evidence to rebut the allegation.

The following acts are illustrative but not exclusive:

- Concealing or misrepresenting – identity, Social Security number, employment information, paternity information, pregnancy information, marital status, persons living in the home, income, residency, non-custodial parent information, citizenship, household members temporary absence from the home, receipt of public or government assistance, child support issues, medical conditions of persons living in the home, lump sum disbursements, winnings, subsidized housing, prior IPVs or any other information specifically addressed on the child care assistance application.

- Altering, forging, duplicating or transferring of Child Care program forms, checks, affidavits, or any documents submitted to the Child Care program and/or the DWSS.

- Misuse of child care services, such as utilizing child care when the approved purpose of care does not exist.

  NOTE: The applicant or recipient's eligibility will not be compromised based solely on the Division's pursuit of a penalty action. If all other eligibility requirements are met, the accused individual remains eligible pending the outcome of the administrative penalty action.

Recovery of incorrectly paid benefits **is not** interrupted or affected by the pursuit of the administrative penalty action.

721 IPV Forms

Form 6021-AF, Administrative Disqualification/Penalty Waiver, is the only form used to pursue an administrative penalty for IPVs. Included in this form are the:

- Program and Violation Penalty;
- Violation Summary;
- Rights of the Accused Individual; **and**
- Waiver of Right to Administrative Disqualification Hearing/ Acceptance of Penalty

722 IPV Penalty Methods

There are three separate methods by which the accused individual may be penalized, they are:

1. Acknowledgment and voluntary acceptance of the penalties by the accused individual, via a signed IPV Waiver;

2. By formal order of a DWSS hearings officer after conclusion of the administrative penalty/disqualification hearing process;

3. By conviction in a criminal court for any offense related to violation of Child Care program rules.

723 IPV Penalties

Accused individuals found to have committed an IPV through one of the methods described in manual section 720 are penalized as follows:

NEON FUNDED/TANF RECIPIENT PENALITIES

The accused individual found to have committed the IPV will be ineligible for TANF benefits for a period of twelve (12) months for the first violation, twenty-four (24) months for the second violation, and permanently for the third violation.

During the ineligible period, the accused individual is required to participate in NEON work activities unless otherwise exempt; therefore, the accused individual will be entitled to NEON support services, such as child care benefits.

NON-TANF RECIPIENT PENALTIES

After they are determined eligible, the child care subsidy benefits are decreased by two (2) subsidy percentage steps for a period of six (6) calendar months for the first occurrence, three (3) subsidy percentage steps for twelve (12) calendar months for the second occurrence and the household is permanently disqualified from the receipt of child care assistance for the third occurrence.

Example: If the household qualifies for a 100% subsidy and they are convicted of a child care 1st occurrence IPV, the maximum subsidy percentage paid by the Child Care program would be 90%. This penalty would be imposed for 6 calendar months following the IPV decision.

OR

Example: The household qualifies at 90% at-risk subsidy and they are convicted of a child care 1st occurrence IPV, the maximum subsidy percentage paid by the Child Care Program would be 70%. If this takes the household out of the eligible funding category, the household would be ineligible for the length of the IPV period.

724 Identification of IPV's

IPVs may be identified through a variety of means. The violation **does not** have to be discovered through an investigation or omission by the accused individual and does not have to include an incorrect payment of benefits. As defined in manual section 720, the mere **attempt** to acquire benefits incorrectly may be reason enough to pursue disqualification penalties.

Substantiation of a violation may be accomplished through, but is not limited to, collateral contacts, automated interfaces, case investigations or eligibility interviews.

725 IPV Penalty Occurrences

When one or more IPVs are discovered, each occurrence must be separated by an Administrative Disqualification/Penalty order or signed and approved Administrative Disqualification/Penalty Waiver or criminal court Judgment of Conviction (JOC) before the next level of penalty may be pursued. Occurrences are separated in the following manner:

1st Violation	Program violations occurring from the date of the accused individual's birth until: • the date of disqualification/penalty (date of the hearing officer's notification letter) order; or • date of signed and approved Waiver (date signed by designated I&R staff member); or • date of the JOC, regardless of the number of violations committed in between.
2nd Violation	Program violations occurring after approval date of initial signed Waiver or being found guilty of committing a 1st violation until: • the date of disqualification/penalty (date of the hearing officer's notification letter) order; or • until date of signed and approved Waiver (date signed by designated I&R staff member); or • until date of the JOC, regardless of the number of violations committed in between.

3rd or Subsequent Violation	Program violations occurring after approval date of a second signed Waiver or being found guilty of committing a 2nd violation until: • the date of disqualification/penalty (date of the hearing officer's notification letter) order; or • until date of signed and approved Waiver (date signed by designated I&R staff member); or • until date of the JOC, regardless of the number of violations committed in between.

730 INTENTIONAL PROGRAM VIOLATION (IPV) PROCEDURES

731 Referring to DWSS for IPV Action

Staff authorized by DWSS may recommend disqualification be initiated against an accused individual by completion and transmittal of Form 6021-AF, "Administrative Disqualification/Penalty Waiver."

731.1 Signed IPV Waiver

If a signed waiver is obtained, the worker shall:

- Create an Investigations and Recovery Information System (IRIS) referral by completing the applicable referral detail fields;
- Select the "IPV Waiver Attached" option;
- Enter IPV waiver information and save the referral; and
- Scan and attach the signed IPV waiver document to the referral.

Upon successful referral generation, IRIS will route the referral to the Referral Management Unit (RMU) for case establishment and routing through the IPV process.

731.2 Request I&R Pursue IPV

If the accused individual refuses to sign the waiver, the worker must refer the case to the Investigations and Recovery Unit for an investigation to pursue an IPV by:

- Creating an IRIS referral by completing the applicable referral detail fields;
- Selecting "I&R to Complete IPV Waiver;" and
- Entering IPV waiver information and then saving the referral

Upon successful referral generation, IRIS will route the referral to the RMU for case establishment and routing through the investigative process.

When completing Form 6021-AF, staff must limit their actions to *"one person per form" and "one program per form."* Evidence to support the IPV **is not required but can be** included or attached to Form 6021-AF. Documentary evidence of prior occurrences must be attached when other than a first program occurrence is marked.

I&R Unit staff will pursue the administrative hearing in accordance with the policies set forth in the manual sections to follow and the Division's I&R Policy Manual, section 200. The Child Care case manager may be called as a witness to provide additional testimony at the Administrative Hearing.

732 Initiating IPV Actions

The I&R Unit is principally responsible for activities associated with Child Care Program penalties of an accused individual suspected of program rule violations. However, any employee of the Division or the Child Care Staff may initiate penalty/disqualification action against an accused individual by completing Form 6021-AF, Administrative Disqualification/ Penalty Waiver.

Staff initiating a penalty action must complete all required administrative penalty paperwork and be prepared to act in the capacity of a witness in front of the hearings officer.

733 Determining IPV Penalty

The Division's Central Office Investigations & Recovery (I&R) Unit maintains a central repository for all Nevada Child Care Program IPVs.

Before completion or submittal of Form 6021-AF, the worker must check for prior disqualifications by sending an email to welfinvest@dwss.nv.gov (Welfare Investigations) to ensure the appropriate penalty period is requested. The email must specify the program type (e.g., Child Care), last name, first name, date of birth, Social Security Number, and any alias of the accused individual.

If past IPV penalties are identified, the I&R worker shall obtain a copy of the previous IPV waiver, hearing decision or criminal court disposition. These documents must be attached to the new IPV paperwork (Form 6021-AF) to substantiate pursuit of enhanced penalties.

734 IPV Hearing Waiver

The IPV waiver may be used to address an accused individual's program violations without prior submittal of the 6021-AF to the Hearing Unit. This permits accused individual acceptance of IPV penalty without the formality

of the actual hearing. If this method is used, the accused individual must also sign the "Rights of the Accused and Waiver of Right to Administrative Disqualification Hearing/Acceptance of Penalty" section of Form 6021-AF acknowledging their understanding of their rights under program laws, regulation and rules.

NOTE: If a signed IPV waiver is obtained, penalties must not be imposed until the case manager has forwarded the signed waiver, via referral to IRIS, and received notification from I&R staff.

No further administrative appeal procedure exists after an accused individual waives his/her right to an administrative disqualification hearing and a disqualification penalty has been imposed. The accused individual however, is entitled to seek relief in a court having appropriate jurisdiction.

735 Coordination of IPV Actions

To eliminate confusion and duplication of effort, all administrative penalty/disqualification requests and signed IPV waivers must be sent to the I&R Unit assigned responsibility for the submitting office. The approval of the I&R supervisor or their designee is mandatory to ensure prior penalty occurrences have been checked and case manager actions are not duplicating the actions of I&R staff.

740 INTENTIONAL PROGRAM VIOLATION (IPV) HEARING

Administrative Disqualification Hearings and pre-hearing resolutions are set forth in the Division's Administrative Manual, section 3103.

On the hearing date, the employee who initiated the IPV action (see manual section 862) must be available to act as a witness if necessary; however I&R will represent the Division and present the case to the hearings officer.

741 Consolidation of Administrative Penalty Hearings

Penalty/disqualification hearings for Child Care, TANF, SNAP, Energy Assistance and Employment & Training programs may be combined into a single hearing if the factual issues arise out of the same or related circumstances and the household received prior notice the hearings will be combined.

Combining hearings permits presentation of issues at a common hearing time. However, an individual Administrative Disqualification/Penalty Waiver, Form 6021-AF, must be completed for each accused individual and for each program.

If combined, a separate file must be established for each case, and separate presentations must occur for each program. This permits individual rulings for each separate program violation.

742 IPV Hearing Process

The DWSS Hearings Office will schedule the date and time of the hearing and notify all involved parties.

> **NOTE:** If legal counsel is representing the accused individual, the worker may request attendance by one of the Division's assigned deputy attorneys general.

At the hearing, the worker presenting the case introduces testimony and evidence demonstrating the accused intentionally violated program rules. Evidence should be organized and presented in a manner consistent with the chronological events associated with the violation.

743 Pre-Hearing Resolutions

IPV issues may be resolved without a hearing or prior to a scheduled date of hearing if:

- The Division or Child Care Program Staff formally withdraws their request for a penalty/disqualification hearing; **or**
- The accused individual signs both the Administrative Disqualification/Penalty Waiver section of Form 6021-AF and the Waiver of Right to Administrative Disqualification Hearing/ Acceptance of Penalty (manual section 864, IPV Hearing Waiver).

Requests for modification of an IPV order must be routed through an I&R supervisor or their designee.

744 IPV Hearing Outcome

Issues sent to the Hearings Unit are resolved on a case-by-case basis. Only **written decisions** issued by the hearings officer and state or federal courts are enforceable. The formal written decision order may:

- Deny or approve the request for a hearing;
- Deny or approve the request for a administrative penalty based on a hearing;

- Approve, with modification of the penalties.

Individuals who disagree with the decision of the hearings officer may appeal their case to district court within ninety (90) days of the date of the hearing officer's decision.

745 Reconsideration of a Hearing Decision

The hearing officer may reconsider the hearing decision and reopen the record for presentation of evidence by either party if, within thirty (30) days from the date of the hearing decision, it is shown to the satisfaction of the hearings officer that the additional evidence is material and that there was good cause for failure to present it in the hearing.

746 Modification of the IPV Order

If errors are noted on the IPV documentation (wrong Social Security Number, incorrect IPV penalty, etc.), corrections cannot be made without bringing the matter before the hearings officer.

Requests for modification of an IPV order must be routed through an I&R supervisor.

750 IMPOSING INTENTIONAL PROGRAM VIOLATION (IPV) PENALTIES/REPAYMENT OBLIGATIONS

If a signed IPV Waiver or judgment of conviction is obtained, penalties shall not be imposed until the case manager has received notification from I&R staff.

For open cases, penalties are imposed against current benefits as soon as administratively possible after the signed Waiver is approved by the designated I&R staff or receipt of the hearing officer's penalty order or criminal court JOC and notification is received from I&R staff. Penalties will continue for the ordered or applicable period of time. Worker inability to affect benefits because of computer programming restriction does not negate the case manager's ability to impose the full penalty period.

For closed cases, the penalties will be imposed immediately after the signed waiver is approved by the designated I&R staff or, receipt of the hearing officer's penalty order or a criminal court JOC and notification is received from I&R staff. Penalties will continue for the ordered period of time.

Example: An accused individual's benefits cease in May and an IPV penalty is imposed effective July through June. If the accused individual applies for assistance and is approved in December, the case manager must impose the penalty for the remainder of the penalty period (December through June).

If subsequent penalty orders are received, the new penalty must be implemented as soon as administratively possible.

Example: If the accused individual is currently serving a first level penalty and the Hearing Officer orders a second level penalty, the case manager must wait until the entire first level penalty period has been exhausted before imposing the second penalty; however, if the accused is serving a second level penalty and is ordered to serve a third IPV penalty, impose the third IPV penalty immediately upon receipt of the hearing officer's decision, regardless if the accused individual is still serving the second penalty.

If the case manager fails to apply penalties within specified time frames, only the remaining months of the penalty may be imposed (unless permanently ineligible).

If the penalty is associated with the incorrect payment of benefits, the I&R worker will initiate action to reclassify the claim as an IPV.

751 Nevada's Central Repository for Program Penalty Information

The Hearings Unit forwards all Child Care penalty records to the Division's I&R Central Office Unit for maintenance and storage. This information is available for use by all the Division or Child Care Program staff. Its primary purpose is to provide documentary evidence of why a penalty was imposed and substantiate previous penalty occurrences.

760 CLAIMS

761 Introduction

A claim means any subsidy benefit paid to, or on behalf of, any individual, household or business that exceeds the amount the individual, household or business was eligible to receive.

The claim amount is the difference between what the individual, household or business actually received in the form of a benefit less the amount they were entitled to receive.

Individuals, households or businesses that owe money to the Child Care Program must repay the claim amount. If approved in advance by Division of Welfare and Supportive Services (DWSS), the overpaid individual or household may be allowed to make monthly payment arrangements, but must make the minimum payment according to the terms of their Repayment Agreement.

NOTE: Claims are addressed in detail in the I&R Manual, Section 300 and 400. Reference should be made to these manual sections for issues/events not addressed in this chapter.

762 Date of Discovery

The date of discovery is the date the Child Care program staff confirms through investigation of the claim allegation an over issuance has occurred.

Exception: Program, Review and Evaluation (PRE) conduct investigations which may generate a potential claim for the review month. Claims resulting from a QC error finding must show the date of discovery as established by the Chief of PRE.

763 Claim Classifications

A claim is calculated for client errors, provider errors, DWSS errors or contractor errors. Every claim must be classified through use of one of the definitions below:

1. Client Error

A claim may be classified as a "Client Error" if the error was caused by:

- a misunderstanding or unintended error by any or all members of the child care household; **or**

- misrepresentation, concealment or withholding of information by any or all members of the child care household.

NOTE: In this instance, evaluate for possible fraud.

2. Provider Error

A claim may be classified as a "Provider Error" if the error was caused by:

- a misunderstanding or unintended error by the provider; **or**

- misrepresentation, concealment or withholding of information by the provider.

NOTE: In this instance, evaluate for possible fraud.

Child Care contractors are responsible for the calculation and collection of provider claims for active providers. Refer to manual section 656 regarding collection of provider claims. Collection activities are defined in the individual provider contracts.

3. Division of Welfare and Supportive Services (DWSS) Error

A claim may be classified as a "Division Error", if:

- DWSS failed to notify the Contractor of a known change to the client's household and/or DWSS benefits; **or**

- DWSS reported incorrect information to the Contractor regarding the client and/or their DWSS benefits.

4. Contractor Error

A claim may be classified as a "Contractor Error", if the:

- Contractor failed to take timely action on a reported change; **or**

- Contractor incorrectly determined and paid any benefits; **or**

- Contractor erroneously issued duplicate benefits which were used by members of the child care household; **or**

- Contractor makes any other error which is not related to the client's withholding or incorrect reporting of eligibility information.

770 REPAYMENT RESPONSIBILITY AND RIGHTS

All adult members of the child care household are jointly and separately liable for the value of any over issuance of benefits received by the child care household, unless the over issuance is the result of a DWSS or contractor error as described in section 763.

Non-Needy Caretakers, Kinship Care Recipients, Foster Parents and/or Authorized Representatives are considered part of the child care household when their failure to report or their incorrect reporting of eligibility information causes a claim occurrence.

In cases where the identified claim is a result of a child's absence from the child care household, the claim is collected only from the adult members of the overpaid household.

> **Example:** The child moved out of their mother's home and into their father's household. The mother failed to report the change. Using the father's income, the child would not be eligible for benefits; however, they continued to use the service. The mother would be liable for repayment of the claim, not the father.

771 Right to Appeal

The responsible individual may appeal the amount and/or how the claim was determined within ninety (90) calendar days from the date of the claim notification. The request must be in writing and forwarded to the Child Care Program Office.

All recovery actions are suspended during the appeal/hearing process until a decision is rendered. If the hearing office determines the claim does in fact exist, responsible person(s) must be re-notified of the claim.

> **NOTE**: Refer to manual section 550 through 563 for further details on the appeal/ hearing process.

780 CALCULATING A CLAIM

Claims are calculated whenever documentary evidence substantiates the Child Care Program incorrectly paid benefits to any individual or group of individuals. Claim classifications (Client, Provider, Welfare or Contractor errors) play no part in determining whether a claim is or is not calculated.

781 Request Claim Calculation

Any authorized Child Care staff may request a claim calculation be made by completing section one of the Child Care Overpayment Referral form 2154 –WC A or B and forwarding the original to designated contractor personnel for follow-up. A copy of form must be kept in the eligibility case file.

782 Determining if an Claim Exists

To determine whether a claim exists, the child care contractor must obtain written verification of the questionable issue. Contractor staff may pursue evidence necessary to proceed with the claim calculation; however, it cannot be requested at the same time information to determine initial and continuing eligibility is being requested. If the information/verification to determine past eligibility/benefits is not provided, it cannot cause a denial/termination for failure to cooperate.

If reasonable attempts made to secure documentary evidence prove unsuccessful, the Contractor may, with written approval from the Child Care Program Chief, terminate calculation efforts.

783 Calculation of the Claim Amount

All claims must be calculated by the child care contractor within sixty (60) calendar days of receipt of all necessary collateral information. Prior to initiating the calculation process, the Contractor must ensure they possess credible evidence, which clearly substantiates, verifies or confirms the client received benefits they were not entitled to for a specific period of time.

The calculation of any subsidy claim requires a comparison of benefits already received by the child care household minus benefits to which the household was retrospectively entitled. The difference is the claim amount.

Determine the child care claim amount for each month incorrect benefits may have been paid. Budgeting procedures and policy in effect at the time the claim was incurred must be used in the determination of the claim amount.

> **NOTE**: If a Quality Control claim is identified, staff must expand the claim review to the entire certification period to be able to determine the total amount of the claim.

784 Claim Referral to I&R

Following the calculation of a client error claim, the debt must be referred to DWSS Investigations & Recovery (I&R) Unit via the Investigations and Recovery Information System (IRIS) for pursuit and collection. Use the Child Care Referral form (2154-WC/A) for the claim to be established in the NOMADS system.

Child Care staff shall compile a "claim packet". The packet must include:

1) Copy or original of all pertinent documents (application, service agreement, picture ID, etc.) contained within the case file;
2) Copy or original of substantiating documentation relative to the claim;
3) A case narrative containing at a minimum how the claim occurred;
4) Documentation of the claim calculation; and
5) A copy of the referral form

The packet must be sent to the I&R Unit responsible for their program office as soon as possible for review and establishment.

NOTE: Claims for active providers are not referred to DWSS. Provider claims are pursued by the Child Care Contractor in accordance with their individual contracts with the child care providers. If a provider is not active, and retention of future payment is not possible to recover a debt, then the case must be referred to I&R for collection, as with a client claim. All supporting evidence of the provider must also be provided in the "claim packet" (see manual section 656 for details).

Exception: The Child Care Chief or their designee may refer a Provider to DWSS for investigation. Subsequent actions related to the investigation i.e. prosecution, debt recovery etc. will be performed by I&R staff.

Reimbursement for Contractor and DWSS caused claims will not be pursued from the clients except where the error was the result of:

- An action resulting in a benefit which the client should have reasonably known was an error or mistake; **or**
- The Child Care case manager and client took action enabling the client to receive benefits he/she was not entitled to.

Contractor and DWSS errors resulting in a claim must be reported quarterly to the Child Care Program Chief.

RESERVED

800

Glossary

185% of Needs — TANF maximum income test.

Absent Parent — A child's parent who is not residing in the home, also known as, non-custodial parent (NCP).

ACE — Assistance with Child Care for the Employed

Active Overpayment — An overpayment which is open and being pursued and/or paid against.

Adequate Notice — Advance notice of an adverse action is provided to the household on proposed case actions. Note: Some actions do not require advance notification. See adverse action requirements for each program.

Advance Notice — Adequate notice of adverse action provided at least 10 days before taking an action on an ongoing or open case.

Adverse Action — Any Child Care Program action resulting in suspension, reduction, or termination of benefits. Denied cases do not require adverse action.

AFIA — Assets for Independence Act

AJS — Applicant Job Search

Annual Fee — A fee charged by the provider on an annual basis for each child in their care.

Annualize — To average income over a 12-month period.

Annuity — An amount payable yearly or at other regular intervals.

Appeal — An applicant's/client's request for a case review regarding a Child Care case worker's negative action.

Applicant — An individual who applies for subsidy benefits.

Application — When receiving requests for assistance, the Child Care Program must accept any designated application form which contains at least the applicant's name, address, and signature or the signature of a responsible household member or authorized representative. The applicant must answer all the questions on the application before the household can be approved.

Approval Date — The date the Child Care case worker signs the certificate authorizing subsidy benefits.

Assistance with Child Care for Employed (ACE) — Available to TANF recipients who become ineligible due to obtaining employment, increased hours, earnings, loss of earning disregards. ACE is available for 12 consecutive months following the last month in which they received a TANF cash grant (includes grants under $10).

Authorized Representative (AR) — Someone acting responsibly for a client in the various aspects of the application and/or reapplication process.

BIA — Bureau of Indian Affairs

Boarder — A person living in a Child Care household paying reasonable compensation for room and meals.

Cafeteria Plan — A term sometimes used to refer to flexible fringe benefit plans offered to employees by their employers.

Calendar Year — January 1 – December 31

Capital Assets — The accumulated possessions (property, goods, products) used to produce income or other goods.

Capital Gain — The financial profit from sale or transfer of capital assets.

CCDF — Child Care Development Fund

CCMS — Child Care Management System

Centers for Medicare and Medicaid Services (CMMS) — CMMS rules govern the Medicaid programs.

Certification Period — The time period for which subsidy benefits have been approved.

CHAP (The Child Health Assurance Program) — Medicaid for children born after 9/30/83, meeting specific requirements (includes pregnant women).

Child Care Household — A group of persons who live in the same home, are related by blood, adoption or marriage and whose needs and income are included when determining eligibility for Child Care subsidy benefits.

Child Care Management System (CCMS) — The computer system used by the contractors to manage the child care program.

Child Care Program Contractors — The Children's Cabinet and Economic Opportunity Board.

Child Care Program Management Staff — The contracting agency staff above the case worker level.

Child Care Program Office — The contracting agency offices where eligibility is determined.

Child Care Program Staff — Any member of the Child Care Contracting Agency related to the Child Care Program.

Child Support Enforcement Program (CSEP) — CSEP in Nevada is responsible for the administration of and oversight of child support enforcement activity.

Client — An individual who receives benefits from the Child Care Program.

Closed Overpayment — An overpayment which is paid in full, excused by the court or permanently waived in its entirety by NSWD.

CMMS — Centers for Medicare and Medicaid Services

COLA — Cost of Living Adjustment

Collateral Contact — Person with no vested interest who the worker can contact to verify client information.

Component (Work) — A service, activity or program designed to assist TANF recipients to gain skills, training or work experience to increase their ability to obtain employment and achieve self-sufficiency.

Continued Benefits — Continuing or restoring benefits to the level authorized immediately before the notice of adverse action.

Cost of Living Adjustment (COLA) — An annual increase of benefits based upon the increase in the cost of living.

Current Verification – Verification issued within the previous thirty (30) days.

Custodial Parent — Parent who has physical and/or legal custody of child(ren).

DAA — Drug Addiction and Alcohol

DAG — Deputy Attorney General

Date of Discovery — The date Child Care program staff obtain facts indicating an overpayment may exist.

DCFS — Division of Child and Family Services

Department of Health and Human Services (HHS) — HHS rules govern the TANF/ Employment and Training Programs.

Dependent Child — A child under the age of eighteen (18).

Deprivation — Loss of parental support caused by death, incapacity, or continued absence of one or both natural or adoptive parents. Deprivation also exists when one or both parents are Voc Rehab participants.

Derivative Citizenship — United States citizenship claimed by a person born outside of the U. S. to one or both U.S. citizen parents.

DETR — Division of Employment, Training and Rehabilitation

Disqualification — Individuals or households disqualified from program participation (ineligible).

Diversion Payments — Diversion payments are financial assistance payments, designed to meet an immediate emergent need and prevent the family from requiring ongoing cash assistance in accordance with Nevada's or another state's policy provisions.

DoIT — Department of Information Technology

Domicile — A policy in TANF that requires a child to live with a relative who is within the required degree of relationship.

Drug Addiction and Alcohol — A provision included in the Social Security Act.

E&T — NSWD Employment & Training

Earned Income — Income a client receives for a certain degree of activity or work.

Earned Income Tax Credits (EITC) — Payments from IRS to persons with tax dependents and gross monthly earnings at or below levels established by the IRS.

EBT — Electronic Benefit Transfer

ECS — NSWD Eligibility Certification Specialist (Case worker)

EITC — Earned Income Tax Credits

Electronic Benefit Transfer (EBT) — EBT is an electronic system that allows a client to authorize transfer of their government benefits from a federal account to a retailer account to pay for products received. This account, which is accessed by an food stamp client with a pin number, is credited with the dollar amount of food stamp benefits.

Emancipated Minor — A person under age 18 who has been or is married. The marriage must not have been annulled. NSWD requires certain conditions be met before automatically applying emancipated status to a minor.

Employment and Training (E&T) Program — The program for employment assistance and work registration of TANF and Food Stamp clients.

Equity — The fair market value of an item minus all money owed on it and the cost associated with its sale or transfer.

ESD — Employment Security Division

Essential Person — The need for a particular member of a household to be in the home on a continuous basis because of the (certified) mental or physical impairment of another member.

ETS — NSWD Employment and Training Specialist

Fair Hearing — A meeting conducted by the Child Care Program Manager/ Administrator with any applicant or client who disagrees with and wishes to appeal some action taken on his/her Child Care case.

Fair Market Value (FMV) — Amount of money an item would bring if sold in the current local market.

FAME — Acronym for Food Stamp, AFDC, Medicaid and Employment and Training programs. AFDC is now called the TANF program.

Family Preservation Program (FPP) — TANF assistance for children with profound or severe mental retardation or children under age 6 with developmental delays.

FEMA — Federal Emergency Management Agency

First Cousin Once Removed — A person's first cousin once removed is either his (1) first cousin's child, or (2) parent's first cousin.

First Excess — A payment sent to a TANF recipient by CSEP. When CSEP receives a child support collection on the current monthly obligation and that exceeds the TANF grant plus the disregard, the excess is sent to the client.

Fiscal Year — July 1 – June 30 (State), Oct 1-Sept 30 (Federal)

Fixed Income — Income which does not vary.

Fluctuating Income — Income in which the amount varies because of an increase or decrease in hours worked, rate of pay, or inclusion of a bonus.

FPP — Family Preservation Program

Good Cause — A term used to indicate that a client had an acceptable reason for not complying with a program requirement.

Grant in Jeopardy of Ineligibility — CSEP reports a case that is potentially ineligible for the TANF grant because CSEP received child support collection on the current monthly obligation and it equals or exceeds the TANF grant plus the disregard.

HCFA — Health Care Financing Agency, now known as Centers for Medicare and Medicaid Services (CMMS)

Head of Household — The person who signs an application for assistance and assumes responsibility for the child care household.

Health Care Financing Agency (HCFA) — Now known as Centers for Medicare and Medicaid Services (CMMS). CMMS rules govern the Medicaid programs.

HEAP — Home Energy Assistance Program

HHS — Department of Health and Human Services

Home Energy Assistance Program (HEAP) — This program pays benefits twice yearly to help eligible persons pay utility costs.

Housing and Urban Development (HUD) — Federal housing agency providing funds to assist needy families/elderly/disabled individuals with housing/shelter costs/ mortgages (e.g., the family pays a percentage of the rent/mortgage based on income).

HUD — Housing and Urban Development

IDA — Individual Development Account

IFG — Individual and Family Grant Program

Illegal Non-citizen Alien — A non-citizen living in the United States without proper approval from Immigration and Naturalization Service and who has received a final order of deportation.

IM — Informational Memorandum

Immigrant — Defined by the Immigration and Naturalization Service as an alien who is abandoning their residence in a foreign country to live in the United States as a permanent or temporary legal resident.

INCAP (Incapacitated) — Individuals temporarily unable through illness/injury to make decisions, be in attendance at interview, or sign documents. Also applies to an individual determined to be incapacitated/disabled to work by a certified physician, the Nevada Medicaid Office, Social Security, Administration, Veteran's Administration, Voc Rehab or any other agency utilizing Social Security criteria.

Incompetent — An individual who has been declared permanently or on a long-term basis to be incapable of making legally binding decisions due to physical/mental illness injury. Statements from certified physicians, Social Workers, Voc Rehab counselors, Social Security Administration, Veterans Administration, etc., court orders, and observation are means of verifying incompetence. This term also applies to minor children unable to make legally binding decisions until they are an adult.

Individual Development Account (IDA) — The use of Individual Development Accounts (IDAs) are intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. Federal funds match the amount of earnings of low-income working individuals and families. IDA savings are to be used for a first home purchase, post secondary educational expenses, or business capitalization.

The Social Security Act provides for the use of State Family Assistance Grant funds, such as, Temporary Assistance for Needy Families (TANF) and Welfare-to-Work (WtW) funds to be used to establish IDAs for low-income working individuals and families. The Assets for Independence Act (AFIA) provides for IDAs under Head Start, Low Income Home Energy Assistance (LIHEA) and Community Services. IDAs have been established under WtW and Community Services. NSWD is currently evaluating the use of TANF funds for IDAs.

Informational Memorandum (IM) — Contains informational items of which contractors should be apprised.

In-kind Contribution — Any gain or benefit to a person which is not in the form of money payable directly to the client such as clothing, public housing, or food.

INS — Immigration Naturalization Service

Institution of Higher Education — One which usually requires a high school diploma or equivalency certificate such as GED to enter. (E.g., business, technical, trade, beauty or vocational school, or enrolled in regular curriculum at a college or university that offers degree programs regardless of whether a high school diploma is required. This includes correspondence and off-campus home-study enrollment.)

Intentional Program Violation (IPV) — Purposeful or willful misstatement of information by a client to receive more benefits than they are entitled to.

Investigations and Recovery (I&R) — NSWD unit responsible for investigations, recovery of overpayments, prosecution and Medicaid Estate Recovery (MER).

IRS — Internal Revenue Service

Job Search — Applicants are required to make inquires to at least ten (10) prospective employers per week for no more than 4 weeks at a time.

Job Training Partnership Act (JTPA) — Job Training Partnership Act is a federal program offering job training. JTPA replaced the CETA program. The Workforce Investment Act of 1998 replaces the JTPA program.

JTPA — Job Training Partnership Act

Kinship Care Recipient — An adult present in the home whose needs are not included in the TANF grant, who supervises and cares for the TANF child(ren), and meets relationship requirements, is age 62 or older, has legal custody of the child(ren), and passed a background/fingerprint check.

Legal Guardian/Caretaker — An adult, not the natural/adoptive parent, who has legal custody documented through the court system for the children in their care.

Legal Parents — Mother, by having given birth to the child or by proof of adoption; father, by proof of adoption, legal document, court adjudication, or his acknowledgment of paternity.

Legal Requirements — The non-financial eligibility requirements for a Child Care program child such as age, relationship, domicile, and citizenship.

Legally Obligated Child Support — Court ordered or legally recorded document requiring the payments of child support to be made in the form of cash, medical, or to a third party. The official document indicates who the support is paid to and for, the frequency, and the amount of payment.

LIHEA — Low Income Home Energy Assistance

Local Workforce Investment Board (LWIB) — The LWIB, formerly known as the Private Industry Council (PIC), manages the selection and monitoring of service providers for WtW services.

Lump Sum Payment — A financial settlement which often involves funds accumulated over an extended period of time.

LWE — Limited Work Experience

MAABD — Medical Assistance for the Aged, Blind and Disabled

Major Parent — The natural/adoptive parent of a minor parent.

Managing Conservator — A person designated by a court to have daily legal responsibility for a child.

Medicaid — State-paid insurance for eligible TANF grant members, Medical Assistance Program (MAP) recipients, and SSI recipients.

Medicaid Card — A certificate issued monthly to eligible TANF/TANF related medical categories/CHAP categories and individuals eligible for SSI/Medicaid.

Medical Support — The non-custodial parent may be ordered to obtain health insurance for their children who receive TANF/Medicaid when it is available at a reasonable cost. Available at a reasonable cost is usually defined as being available through the employer. The medical support may be court-ordered as a cash payment. If the children are on assistance, Medicaid will intercept the payments to offset Medicaid expenditures. Direct cash medical support is budgetable income.

MHDS — Mental Health and Developmental Services

Migrant Farm worker — Farm workers who are presently employed away from their permanent residence or home base.

Minor Child — A person under the age of 18 years old.

Minor Parent — An individual who is under the age of 18, has never been married, and is pregnant or the natural parent of a dependent child.

Monthly Obligation — The amount of the child support payment which the non-custodial (absent parent) parent has been ordered to pay each month.

NCP (Non-Custodial Parent) — A parent absent from the home or the parent without custody.

Needy Caretaker (NCT) — An adult whose needs are included in a TANF grant because they are within the required degree of relationship and are financially eligible according to TANF policy (e.g., grandmother, aunt, uncle, etc.) Note: Two adult relatives (e.g., aunt/uncle/grandmother/grandfather) cannot be included as needy unless they have dependent children of their own and meet TANF deprivation requirements.

NEON — New Employees of Nevada

NESD — Nevada Employment Security Department (ESD).

Nevada QUEST Card — Nevada's EBT card. It is a plastic debit card with the QUEST logo and PAN on the front. A magnetic strip on the back allows the client access to their account when connected with a four-digit secret PIN.

New Employees of Nevada (NEON) — TANF recipients who must participate with NSWD Employment & Training Unit.

NNCT — Non-Needy Caretaker

NOCO/NONCOOP — Acronym for non-cooperation with a program requirement or specific request.

NOD — Notice of Decision sent to advise the Child Care household of a case decision.

NOMADS — Nevada Operations of Multi-Automated Data Systems

Non-Needy Caretaker (NNCT) — An adult present in the home whose needs are not included in the TANF grant, who supervises and cares for the TANF child(ren), and meets relationship requirements.

NSWD — Nevada State Welfare Division

NVRD — Nevada Vocational Rehabilitation Department (Voc Rehab)

OBRA — Acronym for Omnibus Budget Reconciliation Act. A child receiving Medicaid for one year from the date of their birth.

OJT — On-the-job training

Overpayment — The amount of benefits issued in excess of what should have been issued. Benefits made on behalf of the client to which they were not entitled and they must repay.

P&P — Policy and Procedure Inquiry form

Parent — Natural/Adoptive parent of a child.

PASS (Plans for Achieving Self-Sufficiency) — A program administered by Social Security Administration/Mental Health and Rehabilitation (MHR).

PCN (Primary Care Network) — Medicaid enrolled health plan provider.

Personal Account Number (PAN) — A 16-digit number embossed on the front of each Nevada Quest Card, and subsequently connected to a client's individual EBT account when the card is issued.

Personal Identification Number (PIN) — A four-digit secret alphanumeric code that the client selects to access their electronic benefits account.

PL — Public Law

Point of Sale (POS) Device — A device that a client "swipes" their card through which allows it to be electronically read. This device is used by participating retailers and allows a client to purchase food items.

Policy and Procedure Inquiry — Form used to request guidance/clarification regarding policy and/or procedure. This form is sent to the Chief of Child Care and Development for his response.

Policy Transmittal (PT) — Memorandum used for disseminating policy guidance and/or clarification to the contractors prior to its inclusion in the Child Care Policy Manual.

POS — Point of Sale

Post-medical (PM) Four Months, Aid Code PM — Medicaid insurance coverage extended for a maximum of four months after denial of TANF cases denied because of child support income.

Prepaid Burial Insurance — Insurance that pays for a specific funeral arrangement. Also known as pre-need plan or prepaid funeral agreement.

Processing Time Limits — Number of days the worker has to complete a particular action.

Program Violations/Sanctions — Penalties associated with noncompliance with a Child Care program requirement or disqualification from Child Care program participation.

Prospective Budgeting — A way to determine eligibility and benefits using the best estimate of the household's current and future circumstances and income.

Prudent Person Principle — Reasonable decision made by staff based on the best information available and common sense in a particular situation.

PRWORA — Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This act was signed by President Clinton on August 22, 1996.

PT — Policy Transmittal

Public Law (PL) — Laws enacted by specific congressional acts.

Purpose of Care — An approved activity that does not allow for the parent/caretaker to care for the child(ren). Approved activities are employment,

training, educational classes, seeking employment, temporary disability or NEON related requirements.

Qualified Relative — Grandparent, great-grandparent, uncle, aunt and adult siblings not living in the same household as the dependent child receiving subsidy benefits.

Quality Control (QC) — A group of people who conduct and complete state mandated reviews and report their findings to policy setting officials. This unit also participates in training activities and corrective action to ensure program integrity is maintained for the programs administered by the Nevada State Welfare Division.

Questionable Information — Information that is contradictory or incomplete.

Real Property — Land and any improvements on it.

Recipient — An individual who receives services from the Child Care Program

Reconciliation — Refers to the process of ensuring that all transactions have been processed accurately and validated.

Recoupment — To withhold part of a client's current benefit because of a previous overpayment.

Registration Fee — A fee charged by the provider when a child enrolls at their facility.

Reimbursement — Repayment for a specific item or service.

Reinstatement — Process of reinstating cases that were denied/terminated.

Repayment Agreement — A signed agreement between the client and either the provider and/or Child Care Program stating the client will repay any obligation outstanding or benefit for which the client was not entitled.

Resident Seasonal Farm Worker — Farm workers who do not leave their permanent residence to work in agriculture or a related industry.

Resources — Both liquid and non-liquid assets a client can convert to meet his immediate needs.

Retirement, Survivors and Disability Insurance (RSDI) — Social Security benefits issued to persons who are eligible for retirement, disability or survivor benefits due to the death of a parent and/or spouse.

Retroactive Benefit — An initial benefit issued for a month approved after the benefit period has passed.

Review — An optional case evaluative review by the case worker, supervisor, manager, or Investigations based on reported/unreported changes and other client circumstances.

Royalty — A payment to an individual for permitting another to use or market his property (such as mineral rights, patents, or copyrights).

RSDI — Retirement, Survivors and Disability Insurance

RSVP — Retired Senior Volunteer Program

Sanction — A reduction in or ineligibility for benefits because of failure to cooperate with a Child Care program requirement.

SAVE — Systematic Alien Verification for Entitlements

SBA — Small Business Administration

Second Excess — A child support payment sent to a TANF recipient by CSEP. When CSEP receives a child support collection that exceeds the monthly obligation, the excess is applied toward child support arrears. This amount is sent to the client if all past months' unreimbursed TANF have been paid off, and child support arrears are still owed to the client.

Self-employment Income — Income available from one's own business, trade, or profession rather than from an employer.

Service Agreement — The service agreement explains to the client and/or provider their responsibilities to the Child Care Program and associated penalties which can occur for failure to uphold the agreement. The service agreement with the applicant/client is reviewed and signed at each application and/or redetermination. The caseworker must confirm these obligations have been read/understood by the applicant/client.

Sibling — Blood-related or adoptive bother or sister.

Signature — The first initial and last name or the entire first and last name. If the client is unable to write, they may use an “X” as their signature/mark.

SLA — Supported Living Arrangement

Sneede v. Kizer — Special Medicaid category provided to persons ineligible for TANF and there is income or resources of a family member who is not a parent or spouse. Sneede v. Kizer also applies to CHAP and Transitional Medicaid cases.

SNWIB (Southern Nevada Workforce Investment Board) — The southern WtW agency which manages the selection and monitoring of service providers for WtW services.

SSI — Supplemental Security Income

Standard of Need/Needs Standard — Basic needs of TANF families represented by a figure predetermined by the State of Nevada according to the number of persons in the assistance household group. This figure represents food, clothing, housing, utilities, and incidentals. Incidentals include such things as transportation (other than job training or medical transportation), telephone, laundry, medical supplies not paid by Medicaid, home remedies, recreation, and household equipment.

Step Grandparent — The spouse of a blood-related grandparent.

Stepparent — Spouse of the natural/adoptive parent, not blood-related.

Subsidized Housing (SH) — Housing which is subsidized allowing the TANF/CHAP household reduced rent/mortgage payments.

Supplemental Benefit — Additional benefits for any month in which the household has received initial benefits.

Supplemental Payment — A payment made in addition to the regular monthly payment

Supplemental Security Income (SSI) — A needs-tested program administered by the Social Security Administration providing monthly income to aged, blind, and disabled individuals, including children.

Suspended Overpayment — An overpayment which recovery steps have been either unsuccessful due to loss of contact, loss of income (expenses exceed income), or temporarily waived by NSWD.

Systematic Alien Verification for Entitlements (SAVES) — A database NSWD employees can access to determine the citizenship status of a non-citizen.

TANF (Temporary Assistance for Needy Families), Aid Code AF — The block grant which states receive to fund their public assistance program. TANF replaces Aid to Families with Dependent Children (AFDC). A Welfare check or warrant.

TANF-related Medicaid, Aid Code AM — A category of medical assistance for families meeting certain TANF criteria which may be received with or without associated TANF (cash) benefits.

Ten-Ten-Ten Concept — Concept used to determine the earliest month a change could be effective for Child Care benefits when determining the first month of an overpayment. The client has 10 days to report the change; the case worker has 10 days to take action on the change; and the advance notice of adverse action expires in 10 days. Quality Control uses this concept in determining an error on unreported changes or untimely case actions.

Term Life Insurance — Life insurance with no cash or loan value.

Terminated Overpayment — An overpayment which has exceeded its legal time limit for collection.

Third Party — Person or organization outside the child care household.

Transitional Medicaid, Aid Code TR — Medicaid insurance coverage extended for a maximum of 12 months after termination of certain TANF cases because of new or increased earnings, or loss of earned income disregards.

Transitional Medicaid (TR) Quarterly Reporting — To continue eligibility, the transitional Medicaid client must report earnings, child care expenses, and household composition changes in the 4th, 7th, and 10th months of the transitional Medicaid 12-month period.

Tribal Marriage — Marriages conducted under the provisions of the laws established by each tribe. These marriages are legally recognized in Nevada.

Trust — Property held by one person for the benefit of another. All trusts are referred to the State Child Care Coordinator to be forwarded to the Deputy Attorney General (DAG).

UIB — Unemployment Insurance Benefits

Unable to Locate (UTL) — Sometimes used in case record documentation or by the post office when returning mail for a client.

Underpayment — When the client is issued additional benefits because the original benefit was less than they were entitled to.

Unearned Income — Payments received without performing work-related activities, including benefits from other programs.

Universal Life — Life insurance which may or may not have a cash surrender value.

Vendor Payments — Payment made directly to the client's creditor or person providing the service by a person or organization outside the household.

Verification — Documentation that substantiates household eligibility requirements.

Vested Interest — A situation or circumstance to which a person has a strong personal commitment.

VISTA — Volunteers in Service to America

Voc Rehab — Department of Vocational Rehabilitation.

Waiver of Continued Benefits — A client option to allow the worker to process an adverse action during the client's appeal process.

Welfare-to-Work (WtW) — Provides transitional employment services for the hardest-to-employ (HTE) welfare recipients and non-custodial parents to assist in moving them into unsubsidized employment.

Whole Life Insurance — Life insurance that has a cash surrender value. Loans may be taken out against whole life policies.

WIA — Workforce Investment Act of 1998

Work Registration — Food stamp eligibility requirement that all nonexempt household members be registered for employment. NSWD considers all applicable individuals to be work registered who are required to meet work requirements.