Child Care Assistance Program

Service Chapter 400-28

North Dakota Department of Human Services
600 East Boulevard Dept. 325
Bismarck, ND 58505-0250

Child Care Assistance Program 400-28

Definitions 400-28-05

(Revised 8/1/13 ML #3374)

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IM 5192

(NDAC 75-02-01.3-01) (NDCC 50-33-01)

Adequate Notice - notification of Adverse Action to a household which must be generated no later than the close of business on the 3rd to the last working day of a month so the notice is received by the household no later than the date the household would normally receive benefits. Adequate Notice does not apply to the Child Care Assistance Program.

Advance (10 Day) Notice - notification of Adverse Action to a household which must be mailed or given to a household at least 10 days before the date of action. Advance Notice does not apply to the Child Care Assistance Program.

Alien – an individual who is still a subject or a citizen of a foreign country and has not been granted US citizenship.

Allowable Activities – allowable activities include work, job search, attending education or training, and approved activities under the State Job Opportunities and Basic Skills (JOBS) or Tribal Native Employment Works (NEW). Child care for participation in these allowable activities are reimbursable under the Child Care Assistance Program.

Allowable Postsecondary Education - engaging in educational activities which will lead to the award of a certificate, Associate's degree, or a Bachelor's degree.

Allowable Postsecondary Student – a student participating in an allowable, postsecondary educational activity.

Allowable Training - training designed to assist an individual to achieve education or retain employment.

Applicant – an individual who is seeking a benefit under this program.

Application Month – the calendar month in which a signed and dated application is received in the county social service office.

Approved Relative - a provider, whose relationship to the child by marriage, blood, or court degree, is a:

- Grand-parent (including step-grandparents)
- Great-grand parent (including great step-grandparents)
- Aunt or uncle (including step-aunt or uncle)
- Sibling (including step-siblings)

  NOTE: Siblings cannot be an approved relative provider if the sibling resides with the child.

Budgeting – household income assigned to a payment month that is used to compute eligibility and benefit levels.

Business (Work) Day – An official work day of the week which is between and includes Monday to Friday, but does not include weekends and public holidays during which the North Dakota Department of Human Services is closed.

Calendar Month – the period of time that begins at midnight on the last day of the previous month and ends at midnight on the last day of the month under consideration.

Caretaker - a child's biological or adoptive parent, the spouse of the child's biological or adoptive parent, or an individual (loco parentis) acting in the place of a child's parent at the request of the parent or another with authority to make the request, but does not mean a provider.

Child Care Assistance Program (CCAP) State Determination Team – the Public Assistance Director and the Child Care Assistance Program Policy Administrators(s) when determining if the medical illness of a member of the Child Care Assistance Unit whose medical condition requires a caretaker to be temporarily out of the home warrants child care costs to be paid for the remaining parent participating in an allowable activity.

Child Care Assistance Unit - includes child(ren) through the month of their 19th birthday, parent(s), caretaker(s) , stepparent(s), and the acknowledged or adjudicated father of one or more children in common in the household.

Child Care Center - an early childhood facility where early childhood services are provided to nineteen (19) or more children.

Child Care Certificate - a certificate issued by the Department of Human Services to the caretaker who is eligible for Child Care Assistance Program.

Child Care Sliding Fee Schedule - a system of cost sharing by a family and the Child Care Assistance Program based on income and size of the family.

Child Support – a voluntary or court-ordered payment by non-custodial parents for support of their child(ren).

Citizenship – the legal status of being a citizen of a country.

Claim – the result of establishing an overpayment.

Closure – the determination of ineligibility for benefits in an ongoing case.

Co-pay – the portion of an expense an individual or family is responsible to pay towards the cost of a service received.

Collateral Contact – an individual who confirms information about a Child Care Assistance Program (CCAP) household's circumstances but does not reside with or is not a member of the CCAP household.

Converting – changing something from one form to another.

County Social Service Office – the social service office in each of the counties in the state.

Crossroads - a program for a parent, married or unmarried, male or female, who is twenty years old or younger, who has the primary responsibility for the care of his/her child and who is pursuing high school, a GED or alternative high school.

Denial – the determination of ineligibility for benefits on a new application.

Department - the North Dakota Department of Human Services.

Department of Homeland Security – the federal agency that regulates the Immigration and Naturalization Services (INS) Department.

Disqualified Individual – an individual who is ineligible for TANF due to being determined a Disqualified Alien (DA), Disqualified Fleeing Felon/Parole/Probation violator/Drug Felon (DD), or Disqualified Fraud (DF), Disqualified – Child Support (DM) or Disqualified – JOBS sanction (DI).

Diversion – a program available for families as a means to provide short-term emergency benefits and services to families during a 'specific crisis or episode of need' for up to 4 months to households who would otherwise qualify for TANF.

Dividend – the amount of the profit distribution a shareholder receives or the amount of surplus distribution on a policyholder receives.

Documentation – written statement or verification that substantiates or validates an assertion made by an individual or an action taken by a person, (i.e. pay stubs, written statement from employer or child care provider).

Earned Income – Income received as wages, salaries, commissions, or profits from activities in which a household is engaged through either employment or self-employment. There must be personal involvement and effort on the part of the household for income to be considered earned.

Earned Income Tax Credit (EITC) – A federal refundable tax credit for low or moderate income working individuals and families. Individuals may receive an EITC once a year as a refund. Working families with children can apply for advance payments with each paycheck.

Employment Identification Number (EIN) - A Federal Tax ID identified as a free nine-digit number issued by the Internal Revenue Service for banking, tax filing, and other business purposes.

Eligible child - child member of the care assistance unit who is eligible for payment.

English as Second Language – An individual who is participating in classes for English as a second language.

Expense – An amount subtracted from a household's income when it is intended for a specific allowable expense.

Eligibility Criteria – Conditions and standards an applicant or recipient must satisfy to be eligible for benefits.

Face-to-Face Interview – face-to-face meeting to determine initial or ongoing eligibility for assistance. A Face-to-Face interview is not required for the Child Care Assistance Program.

Fair Hearing – A formal hearing conducted by the Office of Administrative Hearings where a ruling is made in favor or against an adverse action that was made in the eligibility determination and benefit amount.

Family Child Care Home - an occupied private residence in which early childhood services are provided for no more than seven (7) children at any one time, except that the term includes a residence providing early childhood services to two (2) additional school-aged children during the two hours immediately before and after the school day and all day, except Saturday and Sunday, when school is not in session during the official school year.

Family Monthly Co-pay – the portion of the monthly child care costs the family is responsible to contribute towards the costs of their child care.

Financial Aid – programs that financially assists students with the cost of attending post-secondary education.

Fraud – obtaining, attempting to obtain, or aiding and abetting another to obtain assistance benefits to which the person is not entitled, through intentionally false statements, representations, or the withholding of material information.

Fraud Overpayment – an overpayment that a court or administrative disqualification hearing determines was the result of fraudulent intent.

GED (General Education Diploma or General Equivalency Diploma) – a high-school degree awarded after successful completion of a series of examinations instead of attendance in a traditional classroom setting.

Group Child Care Facility or Group Child Care Home - a child care facility where early childhood services are provided for eight (8) through eighteen (18) children or a facility, other than an occupied private residence, which serves fewer than nineteen (19) children.

Gross Earned Income – the income earned from employment before any deductions.

IEVS (Income and Eligibility Verification System) – a set of data exchanges with other state and federal sources that is used to verify income and assets of applicants for or participants of TANF, SNAP and Medicaid.

Immigrant – a person who leaves a country to settle permanently in another country.

Immigration and Naturalization Services – a department within Homeland Security that oversees immigration related services.

Income – earned or unearned income received by or available to an applicant or recipient.

Income When Received – income which is received on a normally occurring schedule. Incidental variations of the date of receipt of income do not change the normally received date schedule.

Indian Land Held in Trust – real property held in trust for an Indian Tribe by the federal government.

In-Home Provider - any person who provides early childhood services to one or more children in the parental home.

Initial Eligibility – determination of eligibility for an applicant.

Intentional Program Violation (IPV) – an action by an individual, for the purpose of establishing or maintaining eligibility for the Child Care Assistance Program or for increasing or preventing a reduction in the amount of assistance.

Intentional Program Violation Disqualification - the penalty imposed for having made a fraudulent statement or representation with respect to the Child Care Assistance Program through an administrative hearing, federal or state court.

Irregular Income – income that is received sporadically and not received on regular pay schedule.

Job Opportunity and Basic Skills (JOBS) Program – the companion program to the TANF Program, which combines components of education, training, and employment to enable participants to become self-sufficient.

Job Search – the time an individual spends looking for work.

Lawful Permanent Resident (LPR) – a status of an immigrant legally admitted to the United States on a permanent basis, under the United States Immigration and Nationality Act.

Legal Custodian – an individual under legal obligation to provide care for a minor.

Level of Care – full-time, part-time or hourly child care that is needed.

License - the right, authority, or permission granted by the Department of Human Services to operate a family child care home, group child care facility, child care center, or preschool educational facility. A license is required if the provider cares for six (6) or more children or cares for four (4) or more infants.

Loco Parentis – an individual (relative or non-relative) who is not the natural, adoptive or stepparent of the child but who assumes parental responsibilities and is physically caring for the child in their home on a 24-hour-a-day basis when the duration is expected to last over 30 uninterrupted days.

Lump Sum – Payments received on a recurring, non-recurring or irregular basis.

Minor Parent – an individual who has a marital status of never married, is under age 18, and is a natural or adoptive parent to a child. An individual is considered age 18 on the first day of the month of their 18th birthday.

Monthly Income – income from any source, either earned or unearned, which is computed and reduced to monthly units for the purpose of determining eligibility and benefits. Income may be received weekly, bi-weekly, semi-monthly, monthly, intermittently, or annually, but is computed and considered monthly.

Multiple Group Licenses - a child care facility where two group licenses are allowed per facility if the operations are physically separate, meet all the requirement standards of a group facility, and each operate totally distinct in its day-to-day operation both on paper and in practice.

Multiple Licensed Facility - an early childhood facility that provides more than one type of early childhood services.

Need – services that are required for a child whom needs child care while a caretaker(s) is participating in an allowable activity.

Overpayment – benefits received that exceed the amount for which the household is eligible.

Parent – a child's mother or father, whether by birth or adoption, but does not include:

- An individual whose parental rights have been terminated; or
- A stepparent, when the natural or adoptive parent resides in the home.

Paternity – legal fatherhood established by marriage, adjudication in a court proceeding, adoption, or the voluntary acknowledgement of

paternity. The United States Supreme Court has made it clear that the statutory term "parent" includes only "an individual who owed to the child a state-imposed legal duty to support."

Pension – a fixed sum paid regularly to disabled or retired individuals and in some instances to their dependents.

Preschool Educational Facility - a facility that offers early childhood services and follows a preschool curriculum and course of study designed primarily to enhance the educational development of the children enrolled in the facility and that services no child for more than three hours per day.

Prior Month – the calendar month immediately before the processing month for which the income and circumstances of the Child Care Assistance Program unit are evaluated to determine the amount of child care benefits to be paid during the benefit month.

Prospective income – the anticipated income to be received in a future month.

Qualified Provider - an individual 18 years of age or older, licensed, self-declaration, registered by a Tribe, or an approved relative who provides child care.

Recipient - an individual who is eligible the Child Care Assistance Program.

Recoupment – withholding of part of the Child Care Assistance Program household's assistance benefit to recover an overpayment.

School Age Child – a child in any type of school setting that is not included as part of their daily child care activity. This includes preschool, Head Start, and elementary school, etc.

Self-Declaration - the process whereby the Department of Human Services maintains a record of all in-home and self-declaration providers who have stated that they have complied or will comply with the standards prescribed. Self-declaration is available, although not required, for those child care providers who care for five (5) or less children.

Self-Employment –employment where people work for themselves rather than an employer, are responsible for their own work schedule, do not have taxes or FICA withheld by an employer, and do not have coverage under an employer's liability or Workforce Safety and Insurance.

Siblings – brothers and sisters (including full, half, or step) who are related through birth, adoption, or marriage.

Spousal Support – a voluntary or court ordered payment by an individual for support to their ex-spouse.

State Maximum Monthly Share – the maximum amount the state will pay for a child eligible for the Child Care Assistance Program in a specific month.

State Rate – the maximum allowable amount the state allows for each child eligible for Child Care Assistance Program based on the Child Care Sliding Fee Schedule.

Stepparent – a person legally married to a parent after the birth or adoption of a child who is not the parent of that child by either birth or adoption.

> **Note:** A child born after a marriage is dissolved is not a stepchild to the ex-spouse.

Temporary Absence – period of time an individual may be physically absent from a residence but still considered to be a part of the Child Care Assistance household.

Temporary Assistance for Needy Families (TANF) - a program available for a limited time for families where deprivation exists for the child(ren) and income is insufficient to meet the needs of the family. This includes Transition Assistance provided to families for up to 6 months to qualified TANF households.

Terminated Source of Income – Income, earned or unearned, that stops or ends and is not anticipated to begin again.

Timely Report of Changes - a change that is reported within 10 days from the date the event occurred.

Timely Verified – information that is provided within the required time frame.

Travel time – a reasonable time that it takes an individual to get to and from their allowable activity while their child(ren) is at child care. This does not include travel time from the parent's home to the child care provider and from the child care provider to the parent's home.

Tribal Entity - an organization authorized by the government of an Indian tribe within North Dakota to license, register, or otherwise recognize a child care provider operating within the jurisdiction of that Indian tribe.

Tribal Registration – a provider who is registered through one of the Tribal entities in North Dakota.

Underpayment – a correction to benefits paid a household who was originally paid less than they were eligible to receive.

Unearned Income – income an individual receives without being required to perform any labor or service.

US Citizen – the status of being a native born or naturalized citizen of the United States.

Verification – the process and evidence used to establish the accuracy or completeness of information from an applicant, recipient, third party, etc.

Vocational Training – training related to a specific trade, occupation or vocation.

Waived Co-pay – low income families who are not subject to Co-pay requirements.

Work Study – Federal or non-federally funded employment arranged for students by a post-secondary school.

Working - earning a wage. Self-employment is also defined as work.

Child Care Assistance Program (CCAP) Legal Authority and Program Purpose 400-28-10

Authority Reference 400-28-10-05

(Revised 10/1/11 ML #3278)

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The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 signed into law August 22, 1996 collapsed all child care programs into one entitled Child Care and Development Fund.

Effective October 1, 1996 this program created a simplified program using the same regulations for all child care needs.

These include:

1. Families receiving Temporary Assistance for Needy Families (TANF) benefits and who are involved in work or training activities and families who are transitioning off such benefits
2. Families receiving Diversion benefits
3. Families eligible for Crossroads
4. Low income families who are in need of assistance of child care to keep from becoming dependent on other assistance programs

Federal regulations may be found at Title 45 Department of Health and Human Services, Part 98, Child Care and Development Block Grant Act of 1990, section 5082 of the Omnibus Budget Reconciliation Act of 1990, Public Law 101-508 as amended and codified at 42 U.S.C. 9858.

Goals and Purposes 400-28-10-10

(Revised 10/1/11 ML #3278)

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The goals of the Child Care and Development Fund (CCDF) are to:

1. Allow states maximum flexibility in developing child care programs and policies that best suit the needs of the children and caretakers within the state
2. Promote caretaker choice to empower working caretakers to make their own decisions on the child care that best suits their family's needs
3. Encourage states to provide consumer education information to help caretakers make informed choices about child care
4. Assist states to provide child care to caretakers trying to achieve independence from public assistance
5. Assist states in implementing the health, safety, licensing, and registration standards established in state regulations

The purpose of the CCDF is to increase the availability, affordability, and quality of child care services. The program offers Federal funding to States, Territories, Indian Tribes, and the tribal organizations in order to:

1. Provide low-income families with the financial resources to find and afford quality child care for their children
2. Enhance the quality and increase the supply of child care for all families, including those who receive no direct assistance under the CCDF
3. Provide caretakers with a broad range of options in addressing their child care needs
4. Strengthen the role of the family
5. Improve the quality of, and coordination among, child care programs and early childhood development programs
6. Increase the availability of early childhood development, and before/after-school care services

The federal regulations provide the basis for administration of the CCDF by providing that Lead Agencies:

1. Maximize caretaker choice through the use of certificates and through grants and contracts
2. Include in their programs a broad range of child care providers, including center-based care, family child care, in-home care, care provided by relatives, and faith based child care providers
3. Provide quality child care that meets applicable requirements;
4. Coordinate planning and delivery of services at all levels
5. Design flexible programs that provide for the changing needs of families;
6. Administer the CCDF responsibly
7. Design programs that provide uninterrupted service to families and providers, to the extent statutorily possible

In addition to the monies to be used for child care payments, quality monies in the grant are used for:

1. Licensing
2. Resource and referral services
3. Monies specified for services to specific children population groups such as infants and toddlers

Administrative Requirements 400-28-15

Confidentiality 400-28-15-05

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Information concerning households receiving assistance through the Child Care Assistance Program (CCAP) may be released only for the purposes directly connected with the administration of Economic Assistance Programs, Medicaid and Healthy Steps.

If a caretaker wishes the provider to be able to obtain information, the caretaker must sign an authorization of disclosure using the SFN 1059 'Authorization to Disclose Information'.

Without a signed Authorization to Disclose Information, the only information that can be disclosed to a provider is whether the caretaker has applied or is receiving CCAP and if a payment has been issued to the provider on behalf of the family.

If a provider inquires as to why payment has not been made, no information can be disclosed without a current Authorization to Disclose Information.

Information **cannot** be disclosed on a CCAP certificate displaying the type(s) of program(s) that the caretaker may be on (TANF, JOBS, etc.).

Federal and state law recognizes the privacy rights of individuals who receive services and assistance under programs administered by the county social service office. Confidentiality safeguards go into effect from the initial contact between the client and the county social service office. Initial contact may be as early as an inquiry about the application process or availability of services, depending on what personally identifying information was obtained. The safeguards apply to any personally identifying information, whether written or oral, and whether or not it is incorporated into the client's records. Safeguards continue to be in effect as long as services or assistance are provided and continue afterwards

indefinitely. They are not terminated by the cessation of services or assistance, or by the client's death. Safeguards continue to be in effect indefinitely even for applicants who do not become recipients.

Information concerning households receiving CCAP can be released for purposes directly connected with the administration of the program. Agencies and individuals other than those specified below, who are requesting information concerning households receiving CCAP must obtain and provide a signed Authorization to Disclose Information from the caretaker/individual, legal guardian or an agency who has care, custody and control of a child prior to the information being disclosed.

This includes:

1. Information regarding an individual who received assistance in one case and is now being added to another case or applying on their own behalf, cannot be transferred from the old case file to the new case file without a signed Authorization to Disclose Information from the caretaker of the old case with the following exceptions:

   Exception#1: The individual added to the new case or applying on their own behalf is now an adult (18 years of age) eligible in their own right and was a child in the previous case. If the individual indicates they received assistance in another case that individual's information can be added to the new case without a signed Authorization to Disclose Information.

   Exception #2: Both parents of a child were part of the old case and the caretaker of the new case is one of the parents from the old case and no legal action has been filed (separation, divorce, etc.).

   Note: Once legal action has been initiated, information from the old case cannot be added to the new case without a signed Authorization to Disclose Information.

2. Information being requested by other individuals within the county social service office or a partner agency (county social workers, housing assistance program staff, Treatment Homes (PATH), Division of Juvenile Services (DJS), Tribal Social Services staff, etc.), provided the information is not for the purpose of determining eligibility for CCAP, cannot be released without a signed release of information from the caretaker, with the following exceptions:

Exception #1: Verification of a child's Social Security Number and birth verification may be shared with a social worker or eligibility worker within the county social service office in order to determine eligibility for Foster Care Program.

Exception #2: When an eligibility case worker of a social service agency in another State or within North Dakota requests information regarding an individual applying for or receiving assistance:

a. If the individual was the caretaker of a case in North Dakota, any information contained in the case file can be released without a signed Authorization to Disclose Information.
b. If the individual was not the caretaker of a case in North Dakota, only that individual's information can be released.

Exception #3: Upon the written request of an elected public official, the name, address, and amount of assistance received by a CCAP household may be released without a signed Authorization to Disclose Information.

Exception #4: Upon the request of the state or county child care licensing staff, information may be released when needed for licensure purposes.

Information from the following interfaces can be used to determine eligibility for CCAP when the individual is known in a TANF, SNAP or Health Care Coverage program case. However, the confidentially rules for TANF, SNAP and Health Care Coverage applies to information received through these interfaces:

- Social Security Administration (SSA)
- Internal Revenue Service (IRS)

For individuals who are not known in a TANF, SNAP or Health Care Coverage program case, the interface information from SSA or IRS cannot be used to determine eligibility for CCAP.

Information through Job Service interfaces may be used to determine eligibility.

In accordance with the agreement with Vital Statistics, the Vital Statistic information is owned by Vital Statistics at the State Health Department. Information received through the Vital Statistics Interface is to be used by eligibility workers to verify birth and association information for applicants and recipients. This information cannot be released to the applicant or recipient or any other agency and can only be used for the purpose of determining eligibility.

For additional considerations, including guidelines to county personnel who are subpoenaed to testify in court, see:

1. Service Chapter 110-01, Confidentiality
2. Service Chapter 449-05-30, Confidentiality and Safeguarding Information
3. North Dakota Administrative Code (N.D.A.C.) Section 75-01-02

Discriminatory Practices Prohibited 400-28-15-10

(Revised 10/1/11 ML #3278)

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The North Dakota Department of Human Services and county social service boards, directly or through contractual or other arrangements, on the basis of race, color, religion, sex, national origin, age, or handicap, shall not:

1. Deny any individual aid, care, services, or other benefits provided under this program
2. Provide any aid, care, services, or other benefits to an individual which is different or is provided in a different manner from that provided to others under the program
3. Subject an individual to segregation or separate treatment in any manner related to receipt of any aid, care, services, or other benefits provided under the program
4. Restrict an individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any aid, care, services, or other benefits provided under the program
5. Treat an individual differently from others in determining whether the individual satisfies any eligibility or other requirement or condition which individuals must meet in order to receive any aid, care, services, or other benefits provided under the program
6. Deny any individual an opportunity to participate in the program through the provision of services or afford the individual an opportunity to do so which is different from that afforded others under the program (including the opportunity to participate in the program as an employee where the primary objective of the federal financial assistance to the program is to provide employment, including a program under which the employment is provided to reduce unemployment)

Mandatory Verifications 400-28-15-15

(Revised 1/1/13 ML #3356)

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Eligibility for the Child Care Assistance Program (CCAP) is determined primarily by information supplied by the applicant/caretaker. Certain conditions of eligibility must be supported by conclusive, documenting evidence.

At time of application, 6 month review, or when a new member is added to the household, the household is required to provide the following verifications:

- Identity of Applicant/Caretaker;
- Citizenship for children for whom CCAP benefits are being requested;
- Age for children for whom CCAP benefits are being requested;
- Caretaker's association to the child(ren) for whom CCAP benefits are being requested;
- Verification of education or training;
- Court ordered child support or court ordered spousal support deduction;
- All income received by the family, to include all earned, unearned and self-employment income.

Should the applicant/caretaker be unable to obtain the required verifications, the eligibility worker may assist with obtaining the information.

Application 400-28-20

Requesting an Application 400-28-20-05

(Revised 10/1/11 ML #3278)

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An application is a formal request for the Child Care Assistance Program using one of the following:

- SFN 598 Child Care Assistance Program Application
- SFN 405 Application for Assistance
- The Electronic Application (OASYS) found on the Department of Human Service Website
- SFN 841 Child Care Assistance Program Review

> **Note:** If a case has closed for no review, a review form may only be used in the month following the month of case closure.

Date of Application and Benefit Start Date 400-28-20-10

(Revised 10/1/12 ML #3348)

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The date of the application is the date the signed application is received in the county social service office. An application can be submitted to the county social service office in person, by mail, by fax or electronically.

The county social service office must document the date an application is filed by recording the date the application was received on the application.

The application must be signed to be considered an application. The application is considered signed if the signature is found anywhere on the application, other than in answer to a question contained therein.

If an unsigned application is received and has been date stamped by the county social service office, the unsigned application must be returned to the applicant. If the same application, now signed by the applicant, is returned to the county social service office, that office shall date stamp the application with the date the signed application is received. Document in the case file the correct application received date.

Regardless of the means of submittal (in person, by fax, by mail or via electronically filing), an application received after business hours is considered received on the next business day.

The benefit start date will be the first day of the month the **signed** application is considered received in the county social service office or the earliest date of eligibility.

An individual applying for the Child Care Assistance Program (CCAP) may request assistance for the month prior to the month the application is

received by so indicating on the application. Eligibility can be extended to the prior month if the applicant requesting such assistance meets all other CCAP eligibility requirements for the prior month.

If an application is received with a request for a prior month and eligibility for the prior month had been previously established (certificate exists for the month), a new eligibility determination **is not** made for the prior month based on the new application. The previous determination remains valid.

If the prior month was previously denied and a certificate did not exist, eligibility for the prior month can be established.

If a caretaker did not request the prior month at the time of application, but later discovers a need, the applicant can request and provide all information for the prior month no later than the last day of the 5th month following the month of application as payment is contingent upon CCAP billing forms being submitted within 6 months following the month care was provided.

> **Example:** A caretaker submits an application for CCAP in August, and in November the caretaker informs the eligibility worker of the need for assistance with July child care. The caretaker must submit all information to process the payment by January 31st.

All such requests must be made in writing, with eligibility established based on the information that existed in that month. The eligibility worker must notify the family of the eligibility decision.

Timeliness Standards for Processing Applications 400-28-20-15

(Revised 8/1/13 ML #3374)

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NDAC 75-02-01.3-02

The processing timeframe for an application starts from the date the signed application is received in the county social service office. If the application month is denied or withdrawn and benefits for the following month are requested, the processing timeframe starts effective the first of the following month.

The Child Care Assistance Program (CCAP) does not require a face-to-face interview in order to determine eligibility.

A child care billing report form is not required to process an application.

A decision to either approve or deny an application must be made no later than 30 days following the day the signed and dated application is received in the county social service office unless extenuating circumstances exist. The first calendar day following receipt of the signed application is day 1 of the 30 day processing timeframe.

If additional time is allowed due to an extenuating circumstance, the action must be taken no later than 45 days following the date of application.

Formal action (either approval or denial) must be taken on each month assistance is requested. If an application is not acted upon within the 30-day time frame due to extenuating circumstances, the case file must contain documentation identifying the extenuating circumstances that caused the delay.

If all the information needed to determine eligibility is not provided with the application, the application must be pended and a notice sent informing the applicant of the documents required. The 'pend' notice must clearly identify the information needed for the application month as well as any prior month(s) being requested.

The applicant has 10 days from the print date of the pending notice to provide the required information/verifications. When the 10th day falls on a weekend or holiday, the information is deemed to have been provided timely if received by the county social service office by close of business the first business day following the weekend or holiday.

An application that is pending for additional information cannot be denied prior to the 30th day following the date of filing or the end of the 10th day from the print date of the pending notice, whichever is later. However, if it is determined the applicant is not eligible, the application can be denied at any time prior to the 30th day.

If the applicant does not provide the information requested in the pending notice for **any** of the months requested, each month that was requested must be denied.

If the applicant provides information for one month but not the other month(s), the month that the information was provided for can be processed and the other month(s) must be denied.

- If the applicant who requested but is not eligible for child care for the prior month is eligible for the month of application, the prior month is denied and the application is approved, effective the first of the application month.
- If the applicant who requested child care for the prior month is eligible for the prior month but not for the month of application, the prior month is approved, effective the first day of the prior month and the case is closed as of the last day of the prior month. The same application would be processed for the application month and denied.
- If the applicant who requested child care for the final two months of TANF is not eligible for the first month but is eligible for the second

month, the application is denied for the first month and approved for the second month.
- If the applicant who requested child care for the final two months of TANF is eligible for the first month but not the second month, the application is approved for the first month and closed at the end of the first month. The same application would be use to process the denial for the second month.

Depending on the month of application, additional months may need to be processed using the same application.

If an application is filed with no address, the eligibility worker should review the contact information found on the mailing envelope, in a phone book, on a Motor Vehicle query, or using any other available resources for address information.

The application must be pended and if no mailing/residence address can be located, 'General Delivery' must be used for the mailing address and applicable notice(s) sent.

If the notices are returned for insufficient address:

- If the application has not been approved, it should be denied due to loss of contact and documented in the case file.
- If the application has been approved, the case can be closed for loss of contact and documented in the case file.

If an individual applies for CCAP and TANF, Diversion, or Crossroads at the same time, the application for CCAP must be pended until TANF, Diversion, or Crossroads eligibility is known.

If an individual applies for CCAP and TANF, Diversion, or Crossroads at the same time, requests CCAP for the prior month, all information needed to process the prior month has been submitted and the application month is pending, the prior month can be processed. In these situations if the prior month is processed as Co-pay use actual income and allowable expense

deductions and a one month certificate is issued. If the prior month is processed as Waived Co-pay (TANF, Diversion, or Crossroads) the prior month is processed without regard to income or allowable expense deductions, and a one-month certificate is issued. In both situation, Co-pay or Waived Co-pay, the case must be closed as of the last day of the prior month. The application month would then be pended until TANF, Diversion, or Crossroads eligibility is known.

> **Example:** An individual applies for TANF and CCAP in June. The individual requests child care for the prior month of May. The information needed to determine May's eligibility has been provided and the case has been determined to be Co-pay for May.
>
> The prior month of May is processed as Co-pay issuing a one month certificate. The case must then be closed the end of May. The CCAP application for June is pended until TANF eligibility is determined.

An application may be withdrawn at any time prior to a decision being rendered. The request to withdraw the application can be made in writing or verbally by the applicant.

An application must be denied when:

- The Co-pay exceeds the lower of the State Rate or amount billed for all child(ren) whom assistance is being requested.
- The only child or all children for whom child care is being requested, are determined not to have a need.

New Application Required 400-28-20-20

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-02

A new application is required in the following circumstances:

1. Upon a family's initial request for assistance
2. When a Child Care Assistance Program (CCAP) case is in closed or denied status (including applications that are denied due to being withdrawn) unless the closed or denied status was caused solely by administrative error;

   Note: A new application is not required when the Child Care Assistance Program is being requested for the month following the month of denial (see Section 400-28-20-25 New Application Not Required, #3).
3. When an application is denied due to the applicant's failure to provide information needed to determine eligibility.
4. When an application is denied due to being ineligible and the applicant did not request assistance for the month following the month of denial prior to the application being denied.
5. When there is a change in the caretaker
6. TANF cases where child care is needed through the CCAP

   Note: If a TANF recipient was using child care as an expense deduction while receiving TANF and the TANF case closes, due to retrospective budgeting the expense deduction was not used during the final two months of TANF. If the recipient needs assistance with child care expenses for the final two months of TANF, the recipient must apply for CCAP no later than the last day of the month following the month the TANF case closed.
7. When a case is closed for no review and the review form was not submitted in the month following case closure, thus resulting in a break in assistance of a full calendar month

New Application Not Required 400-28-20-25

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-02

A new application **is not required** in the following circumstances:

1. To approve a case denied in error or reopen a case when it has been closed due to agency error
2. If a case closes for no review, a review form may be used in the month following the month of case closure
3. If the applicant is not eligible in the month of application, the application must be denied. The same application can be used to determine eligibility for the month following the month of denial. In this situation, the application month becomes the month following the month of denial and the application received date is the first day of the month following the month of denial. The application cannot be used for more than two months **except** when eligibility needs to be determined in the prior month.

   Example: An individual applies for the Child Care Assistance Program in April and request child care for the prior month of March. The individual is eligible for March but not eligible for April.

   - The application is approved for March and closed March 31 because the individual is not eligible for April.
   - The application must be denied for April.
   - If eligible for May, the same application can be used.

4. When a case closes for failure to provide information, a new application is not needed to reopen the case (revert to open) when the recipient provides **ALL** requested information prior to the closure effective date and remains eligible. If the closure date is a weekend or holiday, the recipient must provide the information by the close of business on the last working day of the month in which the case will close.

Application Process 400-28-20-30

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-02

The application process **may** include the following steps:

1. An applicant contacts the county social service office
2. County social service office staff advises the applicant of the right to file an application, explain how and where to apply, and, if necessary, assist the applicant with completing the application
3. An applicant files an application for assistance
4. If the submitted application does not have all required verifications, the eligibility worker must send a pending notice informing the applicant of the verifications needed.
5. The applicant provides required verifications
6. The eligibility worker determines eligibility and, if approved, the date eligibility begins
7. The eligibility worker notifies the applicant of eligibility or ineligibility and the reasons
8. The eligibility worker ensures that the applicant understands program and requirements (i.e., verifications, billing forms, receipts, provider requirements and reporting responsibilities, etc)

Establishing Need 400-28-20-35

(Revised 04/01/14 ML #3401)

View Archives

For a new application or in an ongoing case, in order for a child to be included on a certificate, the child must have a child care need for the current month or the month following the current month while the caretaker(s) is participating in an allowable activity. All hours the child needs child care in the month need is being established must be taken into consideration (which includes hours needed for days off from school, weekends, after school, etc.). If a child does not have a child care need for the current month or the month following the current month, the child cannot be included on the certificate.

> **Note:** Refer to policy sections 400-28-85-10-05, Child Not in School and 400-28-85-10-10, School Age Child for policy addressing how to determine average weekly hours and adding of additional hours for a school age child.

At time of application, if need has been determined for a child for the prior month only, the child can be added to the 1-month certificate, but would not be included in the 6-month certificate.

If child care is requested for the prior month, actual hours the child needed child care while their caretaker(s) was in an allowable activity in the prior month must be used.

Once need is established for a child and the child is included on the 6 month certificate, the child will remain on the certificate for the remainder of the certificate period as long as all other eligibility criteria is met.

Six (6) Month Review 400-28-25

Six (6) Month Review 400-28-25-05

(Revised 1/1/13 ML #3356)

View Archives

A review must be completed every 6 months. The 6 month review is due in the last month of the certificate period. A review can be submitted to the county social service office in person, by mail, by fax or electronically.

An SFN 841, "Child Care Assistance Program Review" form is automatically sent to the caretaker in the month prior to the last month the certificate is valid. The caretaker must submit the completed and signed review form in order for eligibility to be continued.

A completed and signed review is due in the county social service office by the 10th day of the review month. If a completed and signed review form is not received by the 15th day of the review month, a closing notice must be sent informing the caretaker that failure to submit a review form by the last day of the review month will result in case closure.

CCAP does not require a face-to-face interview in order to determine eligibility.

The review is considered received as of the date a signed review is received in the county social service office. The county social service office must document the date a review is filed by recording the date received on the review form.

The review is considered signed if the signature is found anywhere on the review form, other than in answer to a question.

If an unsigned review is received and has been date stamped by the county social service office, the unsigned review must be returned to the caretaker. If the same review, now signed by the caretaker, is returned to the county social service office, that office shall date stamp the review with

the date the signed review is received. Document in the case file the correct review received date.

A decision to approve a review or to close the case must be completed within 30 days following the date the review is received in the county social service office unless extenuating circumstances exist. The first calendar day following receipt of the review is day 1 of the 30 day processing timeframe.

A review cannot be denied prior to the 30th day following the date the review was received, if the household has been sent a closing notice requesting verifications. Unless extenuating circumstances exist, all verifications must be received and case processed within the 30 days from the date of receipt of review.

If additional time is allowed beyond the 30 day period due to extenuating circumstances, an additional 15 days can be allowed. When extenuating circumstances are allowed, action must be taken no later than 45 days following the date the review form was received. The extenuating circumstances must be clearly documented in the case file.

If a CCAP case is closed because a review has not been submitted and completed by the end of the month the review was due, the case remains closed as of the last day of the month in which the review is due, if:

- The 30th day from receipt of the review extends into a future month and the family fails to provide the required information by the 30th day or 45th day if extenuating circumstances have been allowed; or
- The family is determined ineligible at any time during the month the review is due and through the 30th day or 45th day if extenuating circumstances have been allowed.

If a review is received by the last day of the month the review was due and additional information is needed, a closing notice must be sent. This notice must advise:

- The required verifications and information needed allowing the caretaker 10 days to provide the information
- The date by which the review process must be completed (this date is the 30th day from receipt of the signed review)
- The date the case will be closed if the review process is not completed (this is the last day of month the review was due in)

Example: A review form is received on April 3 and additional information is needed. On April 7, a closing notice is sent asking for required verifications, allowing the caretaker 10 days to provide the required information.

- If all the required verifications **are** provided by May 3 and the household remains eligible, a new certificate is issued.
- If all the required verifications **are not** provided by May 3 or all required verifications are provided and the household **does not** remain eligible, the case remains closed as of April 30.

NOTE: April 4th is day 1 of the 30 day period.

When a caretaker is sent a closing notice that includes a request for additional information, the caretaker must be allowed at least 10 days from the date of the notice to provide the additional information, even if the 10 days takes them past the 30th day from when the review was submitted or past the 45th day when extenuating circumstances have been allowed.

When the 10th day falls on a weekend or holiday, the information is deemed to have been provided timely if received by the county social service office by close of business the first business day following the weekend or holiday.

Example: A closing notice for non-receipt of review was sent on June 15. A review form is received on June 26. On June 28 a closing notice is sent asking for required verifications, allowing the caretaker 10 days to provide the required information. The case closes June 30 as eligibility for July cannot be determined.

- If all the required verifications **are** provided by July 26 and the household remains eligible, a new certificate is issued.
- If all the required verifications **are not** provided by July 26 or all required verifications are provided and the household **does not** remain eligible, the case remains closed as of June 30.

NOTE: June 27 is day 1 of the 30 day period.

When a caretaker is sent a closing notice which allows the household 10 days to provide required verifications and this takes the household past the 30th day from date of receipt of the review form and into the following month:

- If the caretaker **does provide** the required information within the 10 days, if the case remains eligible, the case must be reverted to open and the review processed. If the case in ineligible, the case remains closed.
- If the caretaker **does not provide** the required information within the 10 days, the case remains closed and a new application is needed.

Example: A completed and signed review form is received on July 3 at the county office. Additional verifications are required. A closing notice is sent on July 6 asking for the requested verifications, allowing the caretaker 10 days to provide the requested information, and advising the case will close July 31st if verifications are not provided by August 2nd. On July 28th, the caretaker provides the requested information, but also provides additional information, requiring further clarification. On July 28th, a closing notice is again sent to the caretaker requesting additional information, allowing the caretaker 10 days (August 7) to provide the requested information advising the case will close July 31 if the verification are not provided.

- If the caretaker does provide the requested verification within the 10 days, if the case remains eligible, the case is reverted to open and the review processed. If the case is ineligible, the case remains closed as of July 31st.
- If the caretaker does not provide the required information within the 10 days, the case remains closed and a new application is required.

If the review form is returned, the eligibility worker should review the returned mail to determine if there is a forwarding address.

- If there is a forwarding address, remail the review form to the new address.
- If there is no forwarding address, send a closing notice to the household using the last known address informing them that their case will be closed due to loss of contact.

Regardless of the action, the eligibility worker must document the actions taken in the case file narrative.

Adequate or advance notice is not required for any action taken on a review. However, a notice must be sent.

Review Form Received After the Case Closed 400-28-25-10

(Revised 10/1/11 ML #3278)

View Archives

When a case closes for no review and the review form is submitted in the month following the case closure, the review form can be used as an application. All application processing applies.

If the review form is received after the month following the month of case closure, a new application is required. The review form cannot be used as the application.

Eligible Children 400-28-30

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-01

An eligible child in the family or household is a child who needs child care and who:

1. Is under age 13
2. Is at least age 13, but under age 19, and who is physically or mentally incapable of caring for themselves as verified in writing by a physician or a licensed /certified psychologist
3. Is at least age 13, but under age 19, and is in need of supervised care as specified in a court order

A child is considered "under age 13 or 19" through the month of the child's 13th or 19th birthday.

Foster care children are not eligible for the Child Care Assistance Program (CCAP) as the Foster Care program provides for this service.

All eligibility information must be provided for each child for whom CCAP benefits are being requested. Any child for whom all information is not provided is not eligible for CCAP. However, that child is included in the household size and their income is considered. If at a later date needed verification is provided for the child, the child's eligibility for CCAP begins the month the verifications are received and all other eligibility criteria is met.

Household Composition 400-28-35

Child Care Assistance Unit 400-28-35-05

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-01

The household must include the child(ren) for whom assistance is being requested and the following individuals residing in the home:

- The natural, adoptive or stepparent(s)
- All siblings, (including half and step-siblings) who are under age 19
- All natural or adoptive children of the caretaker and caretaker's spouse who are under the age 19.

  Note: The Child Care Assistance Program (CCAP), considers a child under the age of 19 through the month of the child's 19th birthday.

- Child under the Subsidized Guardianship Program

When two unmarried adults reside together, in order for a child to be considered a child in common, paternity of the child in common must be verbally acknowledged or legally adjudicated, or the parents must have signed a voluntary acknowledgement of paternity:

- If child care is being requested for a child in common of unmarried parents', both parents and the children of both parents must be included in the unit.

- If child care is NOT being requested for a child in common of unmarried parents', the child in common must be included in the unit(s) of siblings who child care is being requested.

  Example #1: Unmarried non-TANF household includes mom, her child, Dad, his child and a child in common. Mom is requesting child care for her child and Dad is requesting child care for his child. Child care is not being requested for the child in common. Since assistance is not being requested for the child in common, Mom and

Dad must each complete an application for CCAP. The child in common would be included as a household member in both Mom and Dad's household. Both Mom and Dad would have a 3 person household.

Example #2: Unmarried non-TANF household that includes Mom, her child, Dad, and Mom and Dad's child in common. Mom is requesting child care for her child. Child care is not being requested for the child in common. Mom must complete an application for CCAP. Mom would have a have a 3 person household which includes herself, her child and the child in common.

See Section 400-28-45-25, Unmarried TANF Households – Child in Common for an exception for TANF Households.

If the child(ren) for whom assistance is being requested resides with a loco parentis, the household must include the following individuals residing in the home:

- The sibling(s) (including half and step-siblings) of the child for whom assistance is being requested
- The loco parentis and spouse of the loco parentis
- The loco parentis' and spouse's children under age 19

A minor parent who needs child care for their child(ren) and who is residing in his/her parents' home is considered a separate household and must apply on their own behalf.

- If the minor parent is in receipt of TANF, the case is considered TANF for CCAP.
- If the minor parent is in receipt of Crossroads, the case is considered Crossroads for CCAP.
- If the minor parent is in receipt of Diversion, the case is considered Diversion for CCAP.
- All other minor parents are subject to Co-pay.

If a minor parent is residing with their parent(s) and the parent(s) have a child(ren) for whom child care is requested, the minor parent and the

minor parent's child(ren) are not considered members of their parents' case.

The following individuals are excluded from the household count:

- Children 19 years of age or older (a child is considered under the age of 19 through the month of the child's 19th birthday))
- Any child for whom the household receives Foster Care payments
- An individual in the household who is not the caretaker or sibling of the child and not acting as loco parentis
- Parent(s) and other family members of a minor parent when the minor parent is requesting CCAP
- Minor parents and their child(ren) if the parent(s) of the minor child are requesting CCAP
- A child under 19 years of age who resides away from home may come home on weekends or vacations breaks. The child is not counted as part of the household if their visit is less than a full calendar month.

  Note: A child under age 19 who has a child care need can be included in the household of the caretaker with whom the child care costs were incurred (refer to 400-28-35-25, Parents Not Residing Together).

- An individual disqualified because of a Child Care Assistance Program Intentional Program Violation

  Note: The income and expenses of an individual who has an Intentional Program Violation continues to be considered.

Persons Entering the Home

- New Applications:
  - Individuals required to be included in the child care assistance unit who enter the home in the month prior to the application month must be included in the prior month determination.
  - Individuals required to be included in the child care assistance unit who enter the home prior to an application being approved must be included in the application month determination.
- Ongoing Cases:

- When an individual enters the home and child care is not needed for the individual for the month of entry, the individual is not included in the child care assistance unit if their addition results in a decreased benefit or ineligibility for the month of entry. If required, the individual must be included in the child care assistance unit the month following the month of entry.
- When an individual enters the home and child care is needed for the individual, the individual must be added to the case for the month of entry regardless of the effect on the benefit, based on whether or not the information was timely reported and verified.

Persons Leaving the Home

- New Applications:
  - Individuals who are required to be included in the child care assistance unit leave the household in the month prior to the application month are included in the prior month determination but are not included in the application month determination.
  - Individuals who are required to be included in the child care assistance unit leave the home in the month of application prior to the application being approved or denied are not included in the child care assistance unit, unless the individual who left is a child and the child had a need for child care.
- Ongoing Cases:
  - Once a case is approved, individuals who leave the home are included in the child care assistance unit through the month in which they left. Effective the month following the month the individual left, the individual must be removed from the unit.

In order for a marriage performed in North Dakota to be recognized or considered valid in North Dakota, couples are required to obtain a marriage license through the County Recorder's Office. North Dakota law specifically states that marriages are considered recognized and valid if they are between one man and one woman as husband and wife. Therefore, North Dakota does not recognize same sex marriages regardless of where the marriage occurred.

Marriages that occur outside of North Dakota are considered valid in North Dakota if:

1. The marriage was legally performed in another state;
2. The marriage is a common law marriage that occurred in another state and was considered a valid marriage in that state (the couple would be required to provide documentation verifying that the common-law marriage was considered valid by the state in which it took place); or
3. The marriage occurred in another country and the marriage was considered valid according to the law of the country where the marriage was contracted, unless the marriage violates the strong public policy of North Dakota.

> **Note:** Polygamous marriages violate the strong public policy of North Dakota.

Caretaker Temporarily Out of Home 400-28-35-10

(Revised 10/1/12 ML #3348)

View Archives

NDCC 50-33-04

A household with one caretaker who is living apart from the children either in state or out of state, due to allowable employment, allowable education or training, or uniformed service may be eligible for the Child Care Assistance Program (CCAP) in the month they leave. Child care incurred until the time they leave can be covered and the case is closed at the end of the month they leave.

The new caretaker(s) with whom the child(ren) reside must apply. If the new caretaker applies and incurs child care costs in the month the first caretaker's case was closed, child care for the new caretaker can be paid starting from the date the child(ren) reside with the second caretaker and incur child care costs.

Should the first caretaker return home and the children reside with that caretaker, the case for the second caretaker must be closed at the end of that month. The child care costs for the second caretaker would be paid only through the date the children were residing in that home. The first caretaker must reapply and child care costs for the first caretaker could be paid starting from the date the children were residing in that home.

A household with two caretakers where one of the caretaker's is temporarily living apart from the other caretaker and child(ren), either in state or out of state, due to allowable employment, allowable education or training, or uniformed service, is not considered absent from the home as long as he or she continues to function as a caretaker; even if the level of support or care is reduced. Child care costs can be paid while the remaining caretaker is participating in an allowable activity. Both caretakers are counted as a household members and all gross countable income and allowable expenses are used to determine CCAP income eligibility.

In families with two caretakers, CCAP may pay for child care costs of a caretaker participating in an allowable activity for the children remaining in the home, when the other caretaker is temporarily out of the home due to a state approved to a medical condition of a member of the Child Care Assistance unit.

The family must obtain verification from a medical provider supporting the medical condition of the member of the Child Care Assistance unit, and provide the information to the eligibility worker. The information must be forwarded to the CCAP State Determination Team for a decision.

The CCAP State Determination Team will render a decision and notify the eligibility worker if the request has been approved or denied. If approved, the CCAP State Determination Team will determine the length of the approval.

When the caretaker and member of the Child Care Assistance unit with the medical condition are back in the home, the child care case must be closed, unless otherwise eligible.

Disability of a Caretaker 400-28-35-15

(Revised 04/01/14 ML #3401)

View Archives

In a household with two caretakers, child care can be allowed when:

- One of the caretakers is in an allowable activity
- The other caretaker is disabled:
    - Must be deemed disabled by the Social Security Administration
        - Presumptive Supplemental Security Income (SSI) does not meet this criteria.
        - State Review Team decisions cannot be used to consider an individual as 'deemed disabled'
    - Verification from the disabled caretaker's physician must be obtained indicating the disabled caretaker cannot care for the child(ren).

Disqualified Caretaker 400-28-35-20

(Revised 10/1/11 ML #3278)

View Archives

Disqualifications imposed by programs other than TANF do not apply or affect assistance under the Child Care Assistance Program.

Parents Not Residing Together 400-28-35-25

(Revised 10/1/12 ML #3348)

View Archives

When parents who are not residing together have a child and both parents incur child care while participating in an allowable activity, each parent may apply for child care on their own behalf for the related costs incurred during the period in which the child(ren) is with that parent.

The Child Care Assistance Program (CCAP) is neither a party of nor subject to any arrangements or any terms between parents. See section 400-28-115-10, Caretaker and Provider Contract for Services for information regarding contracts between parents and providers.

The hours billed should include only the hours the parent needed child care while participating in their allowable activity during a period of time the child was residing with them.

In Home Care Due to Illness/Disability 400-28-35-30

(Revised 11/1/11 ML #3295)

View Archives

In-home child care will be allowed and must be approved for the following instances as approved by Child Care Assistance Program (CCAP) State Administrator prior to care being provided:

1. If a child's health would be at risk, written documentation from a health care professional must be submitted to the CCAP State Administrator satisfactorily demonstrating the health risk to the child if the child is taken to an outside provider, or
2. For a disabled child, written documentation must be provided to the CCAP State Administrator demonstrating that the child's disability is such that taking the child to an outside provider creates an undue hardship.

> **Note:** In-home child care must be paid at federal minimum wage.

A family who chooses in-home care in these situations will be eligible for payment for CCAP based on the same criteria as other families who have out-of-home providers.

Parent Court Ordered Not to be Left Alone with a Child 400-28-35-35

(Revised 4/1/12 ML #3327)

View Archives

In a household with two caretakers (married or unmarried), where one caretaker is participating in an allowable activity and the other caretaker is court ordered not to be left alone with a child(ren), the Child Care Assistance Program (CCAP) will allow child care for the caretaker who is participating in an allowable activity.

The court order must be a current court order. A copy of the court order must be provided and included in the case file.

CCAP should be used after all other resources have been exhausted.

Crossroads Families 400-28-40

Eligibility for Crossroads Families 400-28-40-05

(Revised 4/1/12 ML #3327)

View Archives

The Crossroads Program is designed to assist with child care costs for individuals who are:

- Parents up to 21 years of age (prior to the month the parent turns 21 years of age)
- Parents who are male or female
- Parents who are married or unmarried
- Parents who have the primary responsibility for the care of their child
- Parents who are pursuing high school, a GED or alternative high school

If the parent is interested in receiving assistance through Crossroads, the parent must apply for Crossroads at to the county social service office.

The parent must apply for the Child Care Assistance Program (CCAP) by completing an application for CCAP at the time they are applying for Crossroads if the parent does not have an open Child Care Assistance Program case. Upon receipt of the Crossroad's approval letter, the individual is eligible for CCAP to cover the costs of child care.

A copy of the Crossroads approval letter must be submitted to CCAP to verify the parent(s) is eligible for Crossroads. The approval letter shows the period of time the parent is eligible for Crossroads.

While an individual is eligible for Crossroads, work related and parenting classes, child care for that individual can be reimbursed under CCAP. In these situations, the certificate must reflect education and work.

A parent, who participated in Crossroads in the previous school period and who intends to participate in Crossroads for the next school period is eligible for Crossroads coverage during the break between the two school periods if the parent is working or attending parenting classes during that time. If the break is expected to last for more than a calendar month and

the parent will not be working or attending parenting classes, the CCAP case must be closed. At the time it is learned that the individual will not be returning to school, eligibility as a Crossroads family ends.

When an individual eligible for Crossroads is married or resides with the parent of the child, CCAP will pay the Crossroads approved child care without regard to the activities or income of the spouse or second parent.

An SSI child in a Crossroads family is considered a Crossroads case as that child is eligible as Crossroads whether in receipt of SSI or not in receipt of SSI.

If the parent is not eligible for or chooses not to participate in the Crossroads Program, the parent can apply for CCAP and if all other program criteria is met, be eligible and is subject to the Co-pay or Waived Co-pay if eligible for TANF or Diversion.

Processing of Child Care Assistance for Crossroads Recipients 400-28-40-10

Initial Crossroads Application/Initial child Care Assistance Program Application 400-28-40-10-05

(Revised 4/1/12 ML #3327)

View Archives

In addition to applying for Crossroads, an applicant or recipient must also apply for the Child Care Assistance Program (CCAP). If Crossroads and CCAP are approved for the same month, the CCAP case is approved as Crossroads Waived Co-pay.

Initial Crossroads Application/Ongoing Child Care Assistance Program 400-28-40-10-10

(Revised 4/1/12 ML #3327)

View Archives

A Crossroads applicant who has an ongoing Child Care Assistance Program (CCAP) case must have their certificate updated to a Crossroads Waived Co-pay case effective the month Crossroads is approved. Child care expense for months prior to Crossroads approval would be covered using the existing certificate.

Ongoing Crossroads/Ongoing Child Care Assistance Program 400-28-40-10-15

(Revised 4/1/12 ML #3327)

View Archives

Crossroads recipients continue to be eligible for the Child Care Assistance Program (CCAP) as Waived Co-pay as long as all other CCAP program requirements are met.

Crossroads Case Closure and Continued Child Care Assistance Program 400-28-40-10-20

(Revised 10/1/12 ML #3348)

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If a Crossroads case closes and there **is a known** allowable activity, the certificate must be updated effective the month following the month of Crossroads case closure to Co-pay or Waived Co-pay, whichever applies.

If a Crossroads case closes and there **is not a known** allowable activity which continues, a closing notice must be sent to close the Child Care Assistance Program case at the end of the month equal to the Crossroads closure.

TANF Families Eligibility 400-28-45

Waived Co-Pay for TANF Recipients 400-28-45-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The Co-pay requirement is waived for child care that is a result of participation in an approved activity of a caretaker in receipt of or deemed in receipt of TANF or Diversion. This includes child care for an SSI or ineligible child whose caretaker is receiving TANF, TANF Transition or Diversion Benefits.

> **Note:** Payment of child care is subject to Co-pay when the child care is a result of an activity for a TANF caretaker who is:
>
> - In receipt of SSI
> - A Disqualified Alien or
> - An ineligible non-legally responsible caretaker

Families not subject to the Co-pay requirements are not subject to the income requirements for the Child Care Assistance Program. These families do not have to provide verification of their income in order for their eligibility to be determined.

Caretakers Who Receive or are Deemed to be Receiving TANF 400-28-45-10

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

Individuals are considered in receipt of TANF during months in which:

- An individual receives a TANF or Transition Assistance benefit
- A TANF grant is suspended for the reason of extra check from a recurring source
- The TANF household receives a zero benefit because the TANF benefit is less than $10.00 (TANF does not issue benefits for less than $10)
- Child care expenses were not allowed as a deduction from income in the final two (2) months of TANF eligibility
- An individual is sanctioned for non-cooperation with the JOBS/Tribal NEW Program or Child Support Enforcement
- An individual disqualified from TANF for an Intentional Program Violation (IPV)
- An individual is disqualified from TANF because of a drug felony, fleeing felon or a parole or probation violator
- An individual is disqualified from TANF for Fraud
- An individual receives a Diversion benefit

The Child Care Assistance Program can pay child care costs for allowable activities in which a TANF caretaker is participating. These cases are not subject to Co-pay requirements.

Non-Recipient Caretakers of TANF (SSI, Disqualified Alien or Non-legally Responsible Caretakers) 400-28-45-15

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The Child Care Assistance Program (CCAP) can pay child care for allowable activities in which an SSI, disqualified alien or non-legally responsible caretaker is participating. However, these cases are subject to Co-pay requirements.

Income of the household members is counted and the household size must include all caretakers and all children, including the TANF children. The TANF benefit for the child(ren) is disregarded as income. All other CCAP requirements must be met.

Unmarried TANF Households - No Children in Common 400-28-45-20

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

When a TANF household consists of two unmarried adults who each have a child(ren) but do not have a child(ren) in common, each must apply for the Child Care Assistance Program on their own behalf. A separate application from each caretaker and two separate cases must be established.

Unmarried TANF Households - Children in Common 400-28-45-25

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-04

When two unmarried adults reside together, in order for a child to be considered a child in common, paternity of the child in common must be verbally acknowledged, legally adjudicated, or the parents must have signed a voluntary acknowledgement of paternity.

When a household consists of two unmarried adults who each have a child(ren) and a child in common, and BOTH caretakers are eligible for TANF:

- If child care is being requested for the child in common, only one case is established and both parents, the children of both parents and the child in common must be included in the child care assistance unit.
- If child care is NOT being requested for the child in common, two cases must be established and the child in common must be included in each case

> **Example:** Household includes Mom, her child, Dad, his child and a child in common. Mom is requesting child care for her child and Dad is requesting child care for his child. Child care is NOT being requested for the child in common. Since assistance is not being requested for the child in common, Mom and Dad must each complete an application for the Child Care Assistance Program (CCAP). The child in common would be included as a member of the child care assistance unit in both Mom and Dad's household. Both Mom and Dad would have a 3 person household.

When a household consists of two unmarried adults in which one parent has a child(ren), the other parent does not have a child, the parents have a child(ren) in common and BOTH parents are eligible for TANF:

- If child care is requested for the child(ren) in common, one case is established and must include the child(ren) in common, both unmarried adults and any of the unmarried adults' child(ren) required to be in the child care assistance unit.
- If child care is not requested for the child(ren) in common, the parent who needs child care must complete an application for CCAP and that parent's child care assistance unit would include their own child(ren) and the child(ren) in common.

When a household consists of two unmarried adults who each have a child(ren) and a child in common and ONLY one caretaker is eligible for TANF, two separate cases must be established.

- If child care is being requested for the child in common, the child in common is included in the TANF caretaker's child care assistance unit and child care for the child in common is determined in the TANF caretaker's case.
- If the non-TANF caretaker requests child care, the child in common is included in the child care assistance unit of the non-TANF caretaker. However, the child care for the child in common is paid in the TANF caretaker's case.

> **Example:** Household includes mom, her child, Dad, his child and a child in common. Mom is requesting TANF and child care for her child and Dad is requesting child care only for his child. Mom and Dad must each complete an application for CCAP. The child in common would be included as a household member in both Mom and Dad's household. Both Mom and Dad would have a 3 person household.
>
> > **Note:** If child care is being requested for the child in common, the child in common's child care would be determined in Mom's case as she is TANF eligible.

Married TANF Households 400-28-45-30

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

When a TANF household consists of two married adults, whether each has children of their own or they have children in common, only one application is required and only one case is established.

Final Two Months of TANF 400-28-45-35

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

A North Dakota TANF case that had been using child care costs as an expense deduction for TANF and who incurred payable child care expenses during the last two months the TANF case was open will not have received the child care disregard for those last two months if the family was subject to the TANF program's retrospective budget methodology. These expenses can be paid under the Child Care Assistance Program (CCAP) and are considered Waived Co-pay.

If the former TANF recipient does not have an open CCAP case, an application must be submitted by the end of the month following the month the TANF case closed. If the application is not submitted by the end of the month following the month the TANF case closed, child care cannot be paid under CCAP for the final two months of TANF.

Child Care for TANF Recipients 400-28-45-40

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The Child Care Assistance Program (CCAP) will pay child care for TANF recipients **only** if the allowable activity is identified and the child care is approved on the JOBS or Tribal New Employability plan. Child care for any allowable activity not identified on the employability plan **cannot** be paid through CCAP.

When a TANF recipient who is required to participate in the JOBS Program is not participating, child care will be paid for any activity the individual is participating in that is listed on the latest employability plan until the TANF case closes.

> **Example:** Mom is required to participate in the JOBS Program in Job Search but fails to provide information to her case manager. The case manager completes the 'good cause' process and a sanction is imposed for October.
>
> If Mom submits child care expenses for the months of September and October while searching for a job, since the latest employability plan lists her activity as Job Search and the Mom continues to be a JOBS participant through October 31st, the child care expenses for September and October while searching for a job can be paid.
>
> Should the child care expenses for the month of September and October be a result of an activity not listed on the employability plan, those child care expenses cannot be paid unless Mom begins participating in the JOBS program and a new employability plan is received that includes these activities.

TANF recipients who are not required to participate in the JOBS or Tribal NEW programs must volunteer to participate in the program in order for their child care to be paid through CCAP.

TANF households may choose to use child care expenses as a TANF earned income disregard up to the TANF maximum allowable costs or they may receive assistance under CCAP. Households may not receive the disregard and have child care paid under CCAP in the same month.

If a minor parent in the TANF household needs child care to complete high school or its equivalent, the minor parent should be informed of and referred to the Crossroads Program. (Refer to section 400-28-40, Crossroads Families).

Processing of Child Care Assistance for TANF or Diversion Applicants and Recipients 400-28-45-45

Initial TANF or Diversion Application/Initial Child Care Assistance Program Application 400-28-45-45-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

In addition to applying for TANF or Diversion, an applicant or recipient must also apply for the Child Care Assistance Program (CCAP) if there is a need for child care. If TANF or Diversion and CCAP are approved for the same month, the CCAP case is approved as Waived Co-pay.

Initial TANF or Diversion Application/Ongoing Child Care Assistance Program 400-28-45-45-10

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-04

A TANF or Diversion applicant who has an ongoing Child Care Assistance Program (CCAP) case must have their certificate updated to Waived Co-pay effective the month TANF or Diversion is approved. Child care expense for months prior to TANF or Diversion approval would be covered using the existing certificate (which would reflect Co-pay).

Initial Child Care Assistance Program Application/Ongoing TANF or Diversion Case 400-28-45-45-15

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

An ongoing TANF or Diversion case that applies for the Child Care Assistance Program (CCAP) and is approved for CCAP in a month the case is eligible for TANF or Diversion will be a Waived Co-pay effective the month CCAP is approved.

Ongoing TANF or Diversion/Ongoing Child Care Assistance Program 400-28-45-45-20

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

TANF or Diversion recipients continue to be eligible for the Child Care Assistance Program (CCAP) as Waived Co-pay as long as all other CCAP program requirements are met.

TANF or Diversion Case Closure and Continued Child Care Assistance Program 400-28-45-45-25

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-04

If a TANF or Diversion case closes and there **is a known** allowable activity, the certificate must be updated effective the month following the month of TANF or Diversion case closure. The case becomes Co-payor Waived Co-pay, whichever applies.

If a TANF or Diversion case closes and there **is not a known** allowable activity which continues, a closing notice must be sent to close the Child Care Assistance Program case at the end of the month equal to the TANF Closure.

If a TANF monthly report is not completed and returned by the 15th of the month for a TANF or Diversion case, a Closure Notice must be sent to the household requesting information as to whether they continue to have a need and participate in an approved activity.

- If the family provides the completed TANF Monthly Report by the last day of the month and the TANF benefit for the future month is determined, the Child Care Assistance Program (CCAP) case will not be closed, or if closed the case can be "reverted to open."
- If the family does not provide the TANF Monthly Report but contacts the Eligibility Worker:
    - If the individual no longer has child care needs or will not be participating in an approved activity for the future month, the CCAP case remains closed effective the last day of the current month.

- If the individual has a child care need and is participating in an allowable activity, the household must provide the information to update the certificate by the last day of the month.
    - If the individual provides the information to update the certificate by the last day of the month, hold the information and update the certificate in the month following the month of TANF closure.
    - If the individual does not provide the information to update the certificate by the last day of the month, the CCAP case will close the last day of the month.

Ineligible/SSI Children Whose Caretaker receives TANF or Diversion 400-28-45-45-30

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

Ineligible/SSI children whose caretaker is receiving TANF or Diversion, must have their child care paid through the Child Care Assistance Program (CCAP) since their child care expenses cannot be used as an expense deduction in TANF or Diversion. Since the caretaker is in receipt of TANF, the children are considered part of the TANF household for CCAP purposes.

Non-Financial Eligibility Requirements 400-28-50

Residence 400-28-50-05

(Revised 10/1/11 ML #3278)

View Archives

NDCC 50-33-05

Only families physically residing within the boundaries of North Dakota are eligible for the Child Care Assistance Program (CCAP). There is no state residence duration requirement for eligibility for CCAP.

Identity of Applicant/Caretaker(s) 400-28-50-10

(Revised 4/1/12 ML #3327)

View Archives

Identity of the caretaker must be verified.

Documentation/Verification of Identity of Applicant/Caretaker 400-28-50-10-05

(Revised 10/1/11 ML #3278)

View Archives

The following is a partial listing of documents or records that may be used to verify a caretaker's Identity:

- Driver's license
- Picture ID
- School, work, hospital or health care identification
- Wage stubs
- Bank records
- Utility records
- Mortgage/rent receipt and/or lease agreement
- Birth Certificate, whether:
  - A certified copy from Vital Records
  - An uncertified copy of the 'Certificate of Live Birth' (Yellow Copy)
  - A 'Souvenir' copy if signed by both the attending physician and president/administrator of the hospital

Caretaker/Child Association 400-28-50-15

(Revised 10/1/11 ML #3278)

View Archives

NDCC 50-33-02

The caretaker's association to the child for whom Child Care Assistance Program benefits are being requested must be verified.

Documentation/Verification of Caretaker/Child Association 400-28-50-15-05

(Revised 10/1/11 ML #3278)

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NDCC 50-33-02

Documents or records available to verify a caretaker's (including a loco parentis) association to the child include but are not limited to the following:

- Birth certificate
- Adoption papers
- Baptismal record
- Marriage certificate
- Court record
- Contact with school system
- Hospital and clinic records
- Landlord's statement
- Contact with Public Housing Authority
- Court Support order
- Juvenile Court records
- Private Social Service agencies
- Community organizations
- Church records
- Head Start records
- Day care center records
- Vital Records
- Visual confirmation
- Child Welfare records
- Records from The Office of Refugee Resettlement
- Statement from child's parents when caretaker is loco parentis

Age Verification for the Child for Whom Assistance is Being Requested 400-28-50-20

(Revised 10/1/12 ML #3348)

View Archives

NDCC 50-33-02

Children for whom Child Care Assistance Program (CCAP) benefits are being requested must verify their age. If age for a child is requested and is not verified, that child is not eligible for CCAP. If at a later date verification of age is provided for the child, the child's eligibility for CCAP begins the month the verification of age is received and all other eligibility criteria is met.

The caretaker is not subject to the age requirement. A child included in the CCAP case as a household member for whom assistance is not being requested does not need to verify their age. However, if at a later date, CCAP is requested for that child, verification of age must be provided before eligibility for the child can be determined.

Documentation/Verification of Age 400-28-50-20-05

(Revised 10/1/12 ML #3348)

View Archives

NDCC 50-33-02

Below is a partial list of documents or records available that may be used to verify an individual's age:

- Birth Certificate:
  - Certified copy or electronic interface from Vital Records
  - Uncertified copy of the 'Certificate of Live Birth' (yellow copy)'Souvenir'
  - Copy if signed by both the attending physician and president/administrator of the hospital.

    Note: Due to a change in law effective July 1, 2010, all Puerto Rican birth certificates issued prior to July 1, 2010, are invalid. Only birth certificates from Puerto Rico that are issued (or reissued) on or after July 1, 2010, are acceptable.
- Baptismal certificate or church record
- Confirmation papers
- Adoption record
- Passport
- Driver's license
- Hospital records
- School records
- Immigration or Naturalization Record
- Alien Registration Card

Ultimately, responsibility to provide necessary verifications lies with the caretaker.

Citizenship Verification for a Child for Whom Assistance is Being Requested 400-28-50-25

(Revised 10/1/12 ML #3348)

View Archives

NDCC 50-33-02

Children for whom Child Care Assistance Program (CCAP) benefits are being requested must verify their citizenship. To be eligible for CCAP, a child must either be a United States citizen or an alien lawfully admitted for permanent residence. If citizenship for a child is requested and is not verified, that child is not eligible for CCAP. If at a later date verification of citizenship is provided for the child, the child's eligibility for CCAP begins the month the verification of citizenship is received and all other eligibility criteria is met.

The caretaker is not subject to the citizenship requirement. A child included in the CCAP case as a household member for whom assistance **is not** being requested does not need to verify their citizenship. However, if at a later date, CCAP is requested for that child, verification of citizenship must be provided before eligibility for the child can be determined.

Documentation/Verification of Citizenship 400-28-50-25-05

(Revised 10/1/12 ML #3348)

View Archives

NDCC 50-33-02

The following documents or records may be available to prove the citizenship status claimed.

> **Note:** Verification of the entry status for non-citizens may be accessed via the Systematic Alien Verification for Entitlement (SAVE).

1. US Citizenship
   - Birth certificate/hospital birth certificate if signed by attending physician;
   - Vital Records interface;
   - United States passport;
   - Certificate of Naturalization;
     - (N-550 or N-570 – which are issued by the INS through a Federal or State court, or through administrative naturalization after December 1990 to individuals who are individually naturalized).
   - Report of birth abroad of a U.S. Citizen;
     - (FS-240 – which is issued by the Department of State to U.S. citizens).
     - (Statement provided by a U.S. consular officer certifying that an individual is a U.S. citizen – this is given to an individual born outside the U.S. who derives citizenship through a parent but does not have an FS-240, FS-545 or DS-1350).
       - Verification that a child was born abroad to two U.S. citizen parents; or
       - Verification that a child was born abroad to one U.S. citizen parent and that U.S. citizen parent resided in the U.S. for a period of at least one year prior to the child's birth; or
   - Certificate of birth;

    - (FS-545 – which is issued by a Foreign Service post or Certification of Report of Birth).
    - (DS-1350 which is issued by the Department of State).
  - Certificate of Citizenship;
    - (N-560 or N-561 which is issued by the INS to individuals who derive U.S. citizenship through a parent).
  - Religious records recorded in one of the 50 states or the District of Columbia;
  - Early school records (preferably from the first school) showing the date of admission to the school, the child's date and place of birth, and the name(s) and place(s) of birth of the parent(s);
  - Adoption Finalization Papers showing the child's name and place of birth

2. Refugee
   - USCIS Form I-94 showing entry as refugee under Section 207 of the INA and date of entry into U.S. (The arrival date is the date used to determine entry date.); or
   - USCIS Form I-688B annotated 274a.12(a)(3) (The arrival date is the date used to determine entry date.); or
   - USCIS Form I-571; or
   - USCIS Form I-551 or I-151 with codes RE1, RE2, RE3, RE4, RE5, RE6, RE7, RE8, RE8b, RE9, IC6 or IC7. (These codes show the individual's status was changed from refugee to lawful permanent resident.)

3. Alien Lawfully Admitted for Permanent Residence
   - USCIS Form I-551 or I-151 (Resident Alien card).
   - Unexpired Temporary I-551 stamp in foreign passport or on the I-94 form also verifies the individual is admitted for lawful permanent residence

4. Alien Lawfully Admitted for Residence
   - Any INS document indicating individual has approval to reside in U.S. (does not have to be permanent authorization).

5. Cuban/Haitian Entrant

- USCIS Form I-551 with code CU6, CU7, or CH7 (These codes show the individual's status was changed to lawful permanent resident.)
- USCIS Form I-94 with code CU6 or CU7, or stamped Cuban/Haitian Entrant under Section 212(d) (5) of the INA (The arrival date is usually the date of designated status.)
- Unexpired temporary I-551 stamp in foreign passport or

6. Amerasian Entrant
   - USCIS Form I-551 with code AM6, AM7, or AM8 (These codes show the individual's status was changed to lawful permanent resident.)
   - USCIS Form I-94 with code AM1, AM2, or AM3 (The arrival date is usually the date of designated status.)
   - Unexpired temporary I-551 stamp in foreign passport.

7. Alien Who Has Been Battered or Subjected to Extreme Cruelty
   - USCIS Form I-551 annotated with IB6, IB7, IB8; or
   - Other INS documentation of battered status – contact State Office for clarification.

8. American Indians - Verification of 50% American Indian blood
   - Enrollment documents, birth records, affidavits from tribal officials, USCIS Form I-181 or I-551 annotated with KIC, KIP or S13 or other acceptable documents can be used as verification of 50% American Indian Blood.
   - A Blood Quantum letter containing information from the individual’s Band, Tribe, Nation stating the individual’s blood quantum, which must be at least 50% aboriginal blood can also be used as verification of 50% American Indian blood. The document may contain the following verbiage:
     - . . . at least 50% Aboriginal blood
     - . . . at least 50% Indigenous blood
     - . . . at least 50% North American Indian blood
     - . . . at least 50% American Indian blood

     Note: The Blood Quantum letter can be used to show that an individual possesses at least 50% blood of the American Indian race, but cannot be used to show that an individual does not possess at least 50% blood of the American Indian race when the parents are enrolled in different bands,

tribes, or nations. If the letter does not show an individual possesses at least 50% blood of the American Indian race, verification should be obtained from the band, tribe, or nation where the other parent is enrolled.

9. Iraqi and Afghani Special Immigrants
   - Iraqi passport with immigrant visa stamp noting the individual has been admitted under IV (Immigrant Visa) Category SQ1,SQ2, SQ3, and Department of Homeland Security (DHS) stamp or notation on passport or I-94 showing date of entry; or
   - Afghan passport with an immigrant visa stamp noting that the individual has been admitted under IV (Immigrant Visa) Category SQ1, SI1, SQ2, SI2, SQ3, SI3; or
   - DHS Form I-551 showing Afghan nationality or Afghan passport, with an IV (Immigrant Visa) code of SQ6, SI6, SQ7, SI7, SQ9 or SI9.

10. Victim of Human Trafficking
    - "T" visa or Certification Document from the Office of Refugee Resettlement (ORR).

Social Security Number 400-28-50-30

(Revised 11/1/11 ML #3295)

View Archives

Disclosure of the Social Security Number (SSN) is **voluntary** and is requested for the purpose of accurate identification. Failure to disclose the SSN will not affect participation in this program. A hard copy of the SSN cannot be required.

The SSN for the caretaker and for each child requesting Child Care Assistance Program (CCAP) benefits may be provided by the caretaker.

If a caretaker or child does not have a SSN when application for CCAP is made, the eligibility worker may assist the family in the application process for a SSN if they choose to apply for a SSN.

If the SSN is not provided for either the caretaker or the child for whom assistance is being requested, the eligibility worker will assign a number for the caretaker whose name the case will be in and to the child(ren) who are requesting CCAP. The first three digits will be "999". The second two digits will be that of the county and the last four digits will be the next available number from the county roster.

Each county should keep a log of such cases so that numbers are not duplicated.

> **Example:** If the family resides in Barnes County, the number will be 999-02-0001 for the caretaker. The child's number will be 999-02-0002. If there are more children, continue in numerical order with the last four digits.

If another family applies who need numbers assigned to them, they should be given the next available number on the county roster.

Once a number is assigned by the eligibility worker, the number follows that individual regardless of the county the individual resides in, and is only updated if the caretaker provides the actual SSN.

If the caretaker provides their SSN but not the SSN for the children, use the SSN for the caretaker to establish case identification and assign a number for each child requesting CCAP using the process above.

If at a later date the caretaker provides an SSN for the caretaker and/or any eligible children, the number in the CCAP system is changed from the assigned number to the SSN.

In situations where there is a discrepancy (i.e. duplicate numbers for the same individual, the same number for two different individuals, etc), a copy of the SSN card may be requested but cannot be required.

Education or Training 400-28-50-35

(Revised 1/1/13 ML #3356)

View Archives

Verification of school attendance requirements must be provided:

- At the time an individual applies for the Child Care Assistance Program and is participating in an approved postsecondary educational or training activity
- In an ongoing case when an individual begins participation in an approved postsecondary educational or training activity

The following items are required to be included in the case file:

- A copy of the education or training class schedule
- SFN 113 Postsecondary Education Information Form (if pursuing Postsecondary Education)

Documentation/Verification of Education or Training 400-28-50-35-05

(Revised 1/1/13 ML #3356)

View Archives

Documents or records available to verify attendance in education or training include but are not limited to the following:

- Class schedule
- Crossroads approval letter

Allowable Activities 400-28-55

Allowable Activities 400-28-55-05

(Revised 04/01/14 ML #3401)

View Archives

Caretakers must be participating in an allowable activity to be eligible for assistance under the Child Care Assistance Program (CCAP). The following are allowable CCAP activities:

1. Work – Work is an activity in which an individual is engaged through employment or self-employment. Work must entail personal involvement and effort on the part of the applicant or recipient. Self-employment is also considered work.

   The following are allowable work activities:

   - Paid employment
     - Paid work studies, internships or assistantships (this includes when an individual is in a non-allowable postsecondary education program).
   - Self-employment

2. Job Search - Child care for job search is allowed for eight weeks in a calendar year. When a household includes two caretaker, each caretaker is eligible for eight weeks of job search per calendar year. Job Search hours are limited to 20 hours per week. No additional hours are allowed for travel and breaks.

   Exception: TANF recipients must follow the JOBS program guidelines, therefore, the 20 hours per week limitation and 8 weeks within a calendar year limitation does not apply to TANF recipients who are participating in the JOBS program and their JOBS employment plan includes 'Job Search'.

   The caretaker(s) must provide a written and signed statement with the dates, time and the job search activity they were participating in (example: submitting the date and time they were submitting

applications, interviews). If this is not provided with the Child Care Billing Report form, the hours are not considered allowable.

3. Education or Training - Child care relating to an allowable education or training activity.

    - Allowable postsecondary education includes:
        - Certificate
        - Associate's degree
        - Bachelor's degree

            NOTE: The program has been expanded to allow eligible child care costs to be paid for an individual who is pursuing a Bachelor's degree. Allowing for a Bachelor's degree as an allowable activity resulted from, and is contingent upon, the continuance of adequate program funding.

            - CCAP may pay eligible child care costs for individuals pursing a certificate, Associate's degree or Bachelor's degree provided the individual has not already earned a Bachelor's degree.

                NOTE: Payment of postsecondary educational related child care costs incurred by an individual who already has earned a Bachelor's degree is prohibited. See policy in 400-28-60, Non-Allowable Activities.

    - Students, at any post-secondary level, whose plans include post-graduate study may have eligible child care costs paid by the program for only those education activities related to the pursuit of that certificate, Associate's degree or Bachelor's degree.
    - If an individual has already earned a certificate or Associate's degree, eligible child care costs are allowed if the individual is continuing to pursue another allowable education activity and has not earned a Bachelor's degree.

- Attending high school or alternative high school or pursuing a GED is an allowable activity even if the individual is not participating in Crossroads.
  - Tradional high school "attendance" is defined by the Department of Public Instruction (DPI) as:
    - Full-time - 4 or more classes
    - Part-time - less than 4 classes
    - Attendance in an alternative high school setting for full-time/part-time as identified by the school
  - GED may be full time/part-time.
- If a high school diploma or GED is not required to receive a certificate, it is considered training and is not considered postsecondary education.

  Example: A Certified Nurse Assistant (CNA) certificate is **NOT** considered postsecondary education as a high school diploma is not required to receive a CNA certificate.

- Allowable Training includes but is not limited to:
  - Basic remedial education
  - Training designed to assist an individual to achieve basic literacy
  - Training needed to secure or retain employment which includes skills and technology training
  - Vocational Training (trade school or career school)
  - Individuals who are participating in classes for English as a second language
- Internet Classes – Child care related to completing on-line computer classes that meets the allowable education or training requirements is an allowable activity.
- Vocational Rehabilitation education plans must follow CCAP education requirements.

If caretaker fails to provide necessary verification of an allowable activity at the time of application, six month review, or when adding a new household member (waived co-pay to co-pay) the month the information is provided is the month the activity is added to the certificate.

4. 400-28-55-20 – Allowable Activities for Crossroads. Clarified policy in this section to specify that parenting classes are an allowable Crossroads activity during a school break.

Allowable Activities for TANF Recipients 400-28-55-10

(Revised 10/1/12 ML #3348)

View Archives

The Child Care Assistance Program (CCAP) can pay child care for TANF recipients only if the allowable activity is identified and the child care is approved on the Job Opportunities and Basic Skills (JOBS) or Tribal Native Employment Works (NEW) Program employability plan. Child care costs for any JOBS/Tribal NEW Program allowable activity not identified on the employability plan cannot be paid through CCAP. Participation in activities for the JOBS or Tribal NEW, including periods of time a TANF recipient is required to complete a Proof of Performance (POP) are considered allowable activities for TANF recipients.

If an individual is meeting their JOBS/Tribal NEW program requirement, CCAP can pay for any approved activities listed on the employability plan.

When a TANF recipient, who is required to participate in the JOBS/Tribal NEW Program, is not participating, child care will be paid for any activity the individual is participating in that is listed on the latest employability plan until the TANF case closes.

> **Example:** Mom is required to participate in the JOBS Program in Job Search but fails to provide information to her case manager. The case manager completes the 'good cause' process and a sanction is imposed for October.
>
> If Mom submits child care expenses for the months of September and October while searching for a job, since the latest employability plan lists her activity as Job Search and Mom continues to be a JOBS participant through October 31st, the child care expenses for September and October while searching for a job can be paid.
>
> Should the child care expenses for the months of September and October be a result of an activity not listed on the employability plan, those child care expenses cannot be paid unless mom begins

participating in the JOBS program and a new employability plan is received that includes these activities.

TANF recipients who are participating in the JOBS program may have educational activities approved on their employability plan even though the education is not a requirement to be in compliance with their JOBS program participation. Education which is approved on the Employability Plan does not have to meet the allowable education criteria under the Child Care Assistance Program (CCAP). When the TANF case closes, education must follow regular CCAP rules.

Example: A TANF recipient's JOBS Employability Plan lists JOBS activities and the recipient is attending education which is not listed on the Employability Plan. The child care **cannot** be reimbursed because the activity is not included on the JOBS Employability Plan even if the education meets CCAP's allowable education criteria.

Example: A TANF recipient's Employability Plan list JOBS activities and education. Regardless of whether the education plan meets CCAP allowable education requirements, the child care costs relating to the education **can** be reimbursed as the education is approved on the JOBS Employability Plan.

This policy does not apply to Post-TANF.

Allowable Activities for Diversion Recipients 400-28-55-15

(Revised 11/1/11 ML #3295)

View Archives

Since individuals in receipt of Diversion do not participate in the Job Opportunities and Basic Skills (JOBS) or Tribal Native Employment Works (NEW) program. Allowable activities for these individuals are:

- Work
- Job Search
- Education or Training

Allowable Activities for Crossroads 400-28-55-20

(Revised 4/1/14 ML #3401)

View Archives

Education, education and work, work during school breaks, parenting classes, and parenting classes during school breaks are allowable activities for an individual who is eligible for Crossroads.

Allowable Activities for Co-pay Families 400-28-55-25

(Revised 4/1/12 ML #3327)

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Allowable activities for Co-pay families are work, education or training, or job search.

Non-Allowable Activities 400-28-60

(Revised 1/1/13 ML #3356)

View Archives

The following activities are not allowed under the Child Care Assistance Program (CCAP), unless identified as an approved activity following policy in 400-28-55-10, Allowable Activities for TANF Recipients,400-28-55-15, Allowable Activities for Diversion Recipients, or 400-28-55-20, Allowable Activities for Crossroads:

- Attending support groups
- Attending parenting classes
- Participating in community service
- Participating in volunteer work (unpaid work)
- Non-allowable postsecondary education:
    - Pursuing a post-graduate degree
    - Pursuing any type of postsecdonary education if the individual has already earned a Bachelor's degree. This includes a Bachelor's degree from any state or country

Financial Eligibility Requirements 400-28-65

Assets 400-28-65-05

(Revised 10/1/11 ML #3278)

View Archives

CCAP does not consider assets to determine eligibility.

Income 400-28-65-10

Definition of Income 400-28-65-10-05

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

Gross income is the income before deductions for taxes, social security or any other items. The gross income, earned and unearned, of all household members including the members in a loco parentis household, stepparent, and unmarried couples where paternity of at least one child in common is acknowledged or adjudicated, will be used for the Child Care Assistance Program (CCAP).

Income is the gain or benefit, earned or unearned, derived from labor, business, capital, or property which is received or is available to CCAP unit for current maintenance. It is considered when actually available and when the applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make such sum available for support or maintenance.

The gross countable income for all members of the child care assistance unit and the caretaker temporarily away from home or in military service is counted.

Earned income of children under age 19 is not counted.

Unearned income of children under age 19 who must be included in the Child Care Assistance Unit is counted.

Earned Income 400-28-65-10-10

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

Earned income is income which is currently earned through the receipt of wages, salaries, or commissions before deductions for taxes, insurance, garnishments, etc., or profit from activities in which a family is engaged through either employment or self-employment.

The types of countable income listed below are illustrations of earned income:

1. Wages, (including paid sick, vacation and holiday leave but not public or private disability payments) salaries, commissions, bonuses that occur on a monthly basis, or profits received as a result of holding a job or being self-employed
2. Earnings from on-the-job training provided by Workforce Investment Act (WIA) or Youthbuild USA
3. Income from work studies, internships, stipends, assistantships, or fellowships which require work participation to receive the income
4. Wages received from sheltered workshop employment
5. Tips: If tips are listed on the paystub, use what is listed on the pay stub as verification of the tips received. If tips are not shown on the wage stub, the individual's statement as to the amount of tips received each month is adequate if consistent with place, kind of employment and number of hours worked.
6. Income from boarders
7. Income from room rentals
8. Earned income in-kind. Non-monetary benefits are any gain that is not in the form of money payable directly to the household when provided by an employer in lieu of wages when the employee has an option.

   Example: An individual working as an apartment manager receives a $330 deduction from the rent. The $330 deduction would be counted as income when the employee has the option to receive payment of $330.00.

9. Department of Defense (DOD) Subsistence Supplemental Allowance for Members of the Armed Forces
10. Income received from the donation of blood or plasma

Treatment of Earned Income 400-28-65-10-15

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

All earned income must be verified and documented in the case file. All countable earned income must be used in determining eligibility.

Earned Income - When Received 400-28-65-10-20

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

Earned income received on a **regular** basis is considered received in the month available and normally received.

> **Note:** When the receipt of **regular** income varies because of weekends or holidays, the income must continue to be counted in the month it would have normally been received or considered available had there not been a weekend or holiday.
>
> **Example #1:** A pay check normally received on the first day of January is paid prior to January 1, due to the holiday. This income should be budgeted as received in January.
>
> **Example #2:** An individual normally paid on December 31 is paid after January 1. This income should be considered as received in December.

Earned income received on an **irregular** basis is considered received in the month it is actually received.

> **Note:** For an individual who has irregular earnings, a pay check may not be received each pay period. Even if the income is not received every pay period, the income is still considered received in the month it is actually received. When the receipt of irregular income varies because of weekends or holidays, the income must continue to be counted in the month it would have normally been received or considered available had there not been a weekend or holiday.

Wages held at the request of an employee shall be considered income in the month normally received.

If a bonus check is received on a monthly basis, it is considered countable income.

Earned Income Received on a Contractual Basis 400-28-65-10-25

(Revised 10/1/11 ML #3278)

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NDAC 75-02-01.3-07

Earned income received on a contractual basis must be averaged over the number of months covered by the contract even if the income is paid in fewer months at the convenience or option of either party. The income that results from this prorate applies to applicants and recipients, and is countable income. Examples of income received on a contractual basis are school teachers, bus drivers, etc.

> **Note:** This policy can only be applied when a written employment contract exists.

> **Example:** A contract begins August 23 and ends May 31. Although the payment for the contract may not be made until the contract is complete (in this case the end of May or the first part of June) pro-rate the income from the contract over the months covered by the contract. In this case, consider payments from August through May.

Documentation/Verification of Earned Income 400-28-65-10-30

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

All earned income received by the family must be verified.

The primary verification of declared earnings is the pay record (pay stubs, etc.) verifying the gross wages received paid by the employer.

Documents or records available to verify earned income include but are not limited to the following:

- Pay stubs
- Employer's wage records
- A statement from the individual's employer that includes the name of the business, the name of the person who completed, signed and dated the form, along with the position they occupy in the business
- A copy of the contract if income is received on a contractual basis

Self-Employment 400-28-65-10-35

(Revised 04/01/14 ML #3401)

View Archives

NDAC 75-02-01.3-07

Self-Employment 400-28-65-10-35

An individual who is working for themselves, rather than for an employer, is considered self-employed. The individual may be a contractor, franchise holder, owner/operator, partner, etc. The individual must meet the following criteria to be considered self-employed:

1. Earn the income directly from business or trade, not from wages or salary from an employer.

2. Be responsible for the payment of entire Social Security and Federal withholding taxes. [If an employee, the employer would pay half of their Social Security Tax and withhold federal income tax from the employee's salary.]

3. File self-employment tax forms, however, not all individuals file tax forms. In these special circumstances, income must be anticipated.

Calculating Self-Employment Income

Self-employment income is normally calculated by completing the EAP Self-Employment Worksheet using data from tax forms as verification. Information for each business must be calculated separately. When a household has filed self-employment income taxes the income is determined as follows:

- If the income represents a household's annual income, the income must be annualized over a 12-month period of time,

even if the income is received within a shorter period of time during those 12 months.

- If a self-employment enterprise has been in existence for less than a year and continues to operate, the income must be averaged over the period of time the business has been in operation.

- If an individual is self-employed for only part of the year to supplement their income from regular employment, the self-employment income must be averaged over the period of time it is intended to cover rather than a 12-month period.

Example:

An individual may be a self-employed painter during the three summer months and works as a housekeeper for regular wages the rest of the year. The self-employment income from painting is averaged over the three summer months because it is intended to meet the individual's needs for only part of the year.

When the total business 'profit' as calculated above results in a loss:

- Zero income will be used. A loss from a self-employment business cannot be used to offset or reduce income from other self-employment or other sources such as earned income.

Anticipating Self-Employment Income in Special Circumstances

When a household has not filed a self-employment income tax return or there has been a significant increase or decrease in the operation of the business, income tax forms, monthly ledgers or bookkeeping records may be used as verification. The income is determined as follows:

1. Business Not In Operation a Complete Calendar Year or Tax Forms Not Filed

a. The applicant will need to provide monthly income and expense ledgers to anticipate self-employment income and unearned income as a result of self-employment. The EAP Anticipated Self-Employment Worksheet will assist with determining the monthly net farming and business income.

2. Partial Liquidation of Business

a. If a business sells some land, equipment, or other capital items to obtain money for current operating expenses and/or pay off a loan, and does not expect a substantial reduction in self-employment income as a result of the sale, continue to look at the most recent income tax forms.

b. If the business liquidates a large enough portion of the business to result in an anticipated substantial reduction in the self-employment income, the income tax forms must be appropriately adjusted to accurately anticipate the current year's income using the most recent income tax forms. Income and expenses (other than depreciation and depletion) for the portion of the business that is not being liquidated is used to determine net self employment income.

Capital gains/losses on sale of property are counted as income.

NOTE: Use only the income or loss from the sale of capital items that can be reasonably anticipated to recur during the current year.

c. If the business expects to liquidate partially but has not done so yet, use the most recent income tax forms in their entirety until the liquidation takes place.

3. Significant Increase or Decrease in Operation

   A farm or business may have a significant increase or decrease in operation that is temporary and does not result in liquidation of the business. In these cases, one of the following methods must be used:

   a. If the applicant has had an estimated tax return prepared for the current business year, use the estimated tax return forms to complete the EAP Self-Employment Worksheet.

   b. If the applicant has prepared documents (such as farm plans) from a lender or bank or monthly income and expense ledgers, these documents may be used to arrive at the current year's anticipated income and expenses. The EAP Anticipated Self-Employment Worksheet will assist with determining the monthly net farming and business income. Anticipated capital gains/losses on sale of property are counted as income.

4. Termination Of Business

   a. If a business expects to completely liquidate but has not done so yet, continue to use the most recent income tax forms or one of the methods described in #3 above until the business has liquidated.

   b. If a business has been completely liquidated, tax forms cannot be used to evaluate the applicant's income. Use only whatever income is currently available from other sources.

Treatment of Self-Employment Income

When an individual is actively engaged in a self-employment business, the income they receive is considered earned income. The following types of income are always considered earned income:

- **Capital or Ordinary Gains/Losses**
- **Farm Income**
- **Business Income**
- **Partnership – Ordinary income, guaranteed payments to partners, depreciation and depletion**

However, there are some types of income included on the self-employment income tax forms that are considered unearned income. The following types of income are always considered unearned income:

- Royalty income
- Cooperative distributions (patronage dividends)
- Partnership – rental, interest and dividend income
- Income from S-Corporations
- Estate or trust income

The following types are considered earned or unearned depending on whether the individual is actively engaged in earning the income and the self-employment tax forms filed.

- Farm rental income
- Other rental income

The earned income must be separated from the unearned income and will be when using the self-employment calculation worksheet.

Determining Self-Employment Income

1. Capital or Ordinary Gains or Losses – A capital or ordinary gain or loss is the difference between the sale price and the cost basis. The cost basis may include improvements and sales expenses such as broker's fees and commissions.

Capital or ordinary gains or losses are considered part of the EARNED income from self-employment. The gain or loss is calculated by deducting the cost basis from the gross sale price. The result is then added to or subtracted from the calculation of the self-employment income for the business the property was used in.

NOTE: Use only the income or loss from the sale of capital items that can be reasonably anticipated to recur during the current year.

This income is generally included on the Schedule D or Form 4797.

2. Farm Income – Income earned through the operation of a farm or ranch including farm rental income and CPR.

a. Farm Rental Income – Income received by a landowner from the sale of crops or livestock produced by the tenant. This does not include cash rent of pasture or farmland.

b. Conservation Reserve Program Payments (CRP) – Cost share and payment program under the USDA that encourages farmers to convert highly erodible crop land or other environmentally sensitive acreage to vegetative cover.

Farm income, including farm rental income and CRP:

- Is considered EARNED income when the individual is actively engaged in farming. The total farm income or loss is determined by taking the taxable amount of cooperative distributions (patronage dividends) from the net farm income and adding in the depreciation.

The amount of cooperative distributions is deducted from farm income as it is considered unearned income. Depreciation is added back in as this is not an allowable expense.

This income is generally included on the Schedule F.

- Is considered UNEARNED income as a result of self-employment when the individual is NOT actively engaged in farming. The total farm rental income or loss is determined by taking the taxable amount of cooperative distributions (patronage dividends) from the net farm rental income and adding in the depreciation.

  The amount of cooperative distributions is deducted from farm rental income as it is considered unearned income on a separate line in the calculation. Depreciation is added back in as this is not an allowable expense.

  This income is generally included on the Form 4835.

3. Business Income – Income earned through the operation of a business other than farming or ranching.

Business income is considered EARNED self-employment income. Business income is determined by taking the net business income profit or loss and adding in the depletion or depreciation. Depreciation and depletion are added back in as they are not allowable expenses.

This income is generally included on the Schedule C.

4. Partnerships – A partnership is a self-employment business set up as a partnership with two or more partners. A partner's share of income, gain, loss, deductions or credits is determined by a partnership agreement.

   - Ordinary income and guaranteed payments to partners in a partnership are considered EARNED self-employment income. This income is generally included on the Schedule K-1 (Form 1065). The partner's share of the partnership income is determined by adding the partner's share of depreciation or depletion to their ordinary income and guaranteed payments. Depreciation and depletion are added back in as they are not allowable expenses. The depreciation and depletion are generally included on the Form 1065.

5. Other Rental Income – Income received from the cash rental of property.

   Other rental income is considered **UNEARNED** income as a result of self-employment. Rental income is determined by taking the total net rental income from all rental properties and adding in the depreciation or depletion. Depreciation and depletion are added back in as these are not an allowable expense. This income is generally included on Schedule E.

6. Royalty Income – a percentage of gross or net revenues derived from the use of an asset or a fixed price of a unit sold of an item.

   Income individuals receive from royalties is considered **UNEARNED** income as a result of self-employment. Royalty income is generally included on Schedule E.

7. Cooperative distributions (patronage dividends) - are paid by cooperatives in cash or shares of stock. These dividends are similar to rebates paid based on the amount of goods bought or services used for the self-employment enterprise.

   Income individuals receive from cooperative distributions or patronage dividends is considered **UNEARNED** income as a result of self-employment. Cooperative distributions or patronage dividends are generally included on Schedule F and Form 4835.

8. S –Corporation – a separate business entity with 1 to 100 shareholder(s) that passes through the net profit or loss to their shareholder(s). The business profits are taxed at individual tax rates on each individual shareholder's income tax.

   Income shareholders receive from a corporation is considered **UNEARNED** income as a result of self-employment. This income is generally included on the Schedule K-1 (1120S). The shareholder's income is determined by adding the shareholder's share of depreciation or depletion to their ordinary business income, net rental real estate income, interest income and dividend income. Depreciation and depletion are added back in as these are not an allowable expense. Depreciation and depletion are generally found on the Form 1120S.

   NOTE: An owner or employee of a corporation is not a self-employed individual because the business income and liabilities belong to the corporation, not the individual. Wages that an owner or employee receive from a corporation are considered earned income.

9. Estate or Trust Income – Income received from an estate or trust.

Income individuals receive from estate or trusts is considered **UNEARNED** income as a result of self-employment. Estate or trust income is generally included on Schedule E.

Other Types of Self-Employment Income

The following types of income may or may not be listed on self-employment tax forms. If the income is not listed on the self-employment tax forms, the income must be verified separately.

1. Qualified Service Provider (QSP) – Qualified Service Providers (QSPs) are individuals who provide care for people who want to continue to live in their own homes and communities. QSPs do not need to have a special certificate or license, but they do need to prove they have the skills to provide care.
   - QSP income is considered EARNED self-employment income when the individual is not an employee of an agency.
   - QSP income is considered regular earned income when the individual is employed by an agency.
2. Boarder - Individuals or groups of individuals residing with others and paying reasonable compensation for lodging and meals.

   Income from boarders is considered EARNED self-employment income when the individual providing the board is actively engaged in providing the lodging and meals and the boarder is not included in the household based on program policy.

   To calculate income from room and board, take the monthly gross receipts less $100 per boarder.

Wages Paid to Family Members

Wages paid to family members are an allowable business expense. However, the wages paid to family members must be counted as

earned income separately from self-employment income unless the earned income is specifically excluded by program policy.

The income tax forms identify wages paid to family members as wages or labor hired but does not separate outside labor hired from wages paid to family members. The household will need to identify and verify the amount paid to family members (canceled checks, W-2 forms, bank books showing transfer of funds).

Allowable Expenses

The following expenses are allowable deductions from self-employment income. Because the EAP Self-Employment Worksheet uses net income any of these expenses claimed on the tax form are already deducted. The Anticipated Self-Employment Worksheet also accounts for these expenses.

If a household verifies any of the following expenses incurred as a result of self-employment income that were not included on the tax forms, the expense must be allowed by deducting it from the net income.

- Advertising
- Car and truck expenses
- Chemicals
- Commissions and fees
- Conservation expenses
- Contract labor
- Custom hire (machine work)
- Employee benefit programs
- Feed
- Fertilizers and Lime
- Freight and Trucking
- Gasoline, Fuel and Oil
- Insurance (other than health)
- Interest (mortgage and other)
- Labor hired
- Legal and professional services

- Office expenses
- Pension and profit-sharing plans
- Rent or lease (vehicles, machinery, equipment, business property, land, animals)
- Repairs and maintenance
- Seeds and Plants
- Storage and Warehousing
- Supplies
- Taxes (Real estate, employer's match of payroll taxes, contributions to state unemployment insurance, licenses)
- Travel, meals, entertainment
- Utilities and phone
- Veterinary, breeding and medicine
- Wages
- Other expenses such as:
    - Bad debts
    - Bank service charges
    - Dues and publications
    - Laundry and cleaning
    - Tools
    - Day care meal expenses (if not reimbursed through a food program)

Non-Allowable Expenses

The worker must determine if an expense is non-allowable based on whether the expense is part of producing income. The following expenses are not allowable deductions from self-employment income:

- Expenses and net operating losses (NOL) from previous periods.
- Depreciation/depletion - to allow these costs would result in exclusion for amounts that are not actual costs.
- Other expenses that are not incurred as a result of self-employment income, such as:
    - Charitable contributions
    - Penalties and fines
    -

All self-employment income must be verified and documented in the case file. Annual self-employment income must be averaged over the number of months the business was in operation, even if the income is received in fewer months. The income that results from this prorate applies to applicants and recipients, and is used to determine eligibility and the benefit amount.

The prorata method of determining monthly income may not be practical in the following circumstances:

- The business was recently established and the federal income tax return for the previous year does not reflect a full year's operation.
    - Use the income tax return forms and annualize the income for the period of time the business has been in operation.
- The current condition of the business is not accurately reflected on the past year's income tax return due to a decrease or increase in the size of the operation, or an uninsured loss, or other situations which may require special considerations
    - Income and costs of good ledgers can be used or an estimate of the effect on the annual income based on the best information available from the household.
- Tax return forms have not been filed
    - Income and costs of good ledgers can be used or an estimate of the effect on the annual income based on the best information available from the household.

No income from any other source may be used to offset a self-employment loss.

When determining income based on income tax forms attention should be paid to other sources of income listed on page one of Form 1040. Other types of income that may be reflected on page one of Form 1040 are interest income, dividend income, rental income, royalty income, etc. Interest, dividend, rental and royalty income are to be considered separately from the self-employment income.

To arrive at the most equitable method for determining the amount of a household's countable earned income from self-employment, it is necessary to consider the type of business activity, expense, and income. Based on this concept, one of the applicable calculations identified below shall be used.

1. Self-employed individuals whose business does not require the purchase of goods for resale. An example of this type of business is a person who provides child care services in their own home, a Qualified Service Provider (QSP) who is not an employee of an agency, etc. Such income may be accounted for on a monthly basis, or the income tax return from the previous year may be used if it reflects a full year's operation. When the tax return is used, 1/12th of the annual gross income is monthly earnings. Twenty-five (25%) percent of the gross monthly earnings shall be disregarded to offset the cost of producing the income and will cover such things as additional food, utilities, supplies, etc. The remaining 75% is the gross monthly earnings. The appropriate share percentage must be applied to the gross monthly income based on the number of individuals listed on the self-employment schedules. This is the figure to which the appropriate earned income disregards are applied to arrive at monthly net income.
2. Self-employed individuals whose business requires the purchase of goods for resale. Examples of this type of business enterprise include Avon, Tupperware, Amway, Mary Kay Cosmetics, etc. Such income may be accounted for on a monthly basis, or the income tax return from the previous year may be used if it reflects a full year's operation. In these instances, subtract the cost of the goods from the gross monthly or annual receipts to arrive at the adjusted gross income. If the cost of goods includes any labor or wage amounts, those amounts must be deducted from the cost of goods before subtracting the cost of goods sold from the gross monthly or annual receipts. When the tax return is used, 1/12th of the annual adjusted gross income is monthly earnings Twenty-five (25%) percent of the adjusted gross income shall be disregarded to offset the costs of producing the income and will cover such things as sample kits, demonstrations, supplies, etc. Seventy-five (75%) percent of the adjusted gross income will be the monthly income. The appropriate share percentage must be applied to the monthly adjusted gross income based on the number of individuals listed on the self-employment schedules. This is the figure to which the appropriate earned income disregards are applied to arrive at monthly net income.

3. Self-employment income from a room-and-board arrangement. The first $100 per month received from each individual will be disregarded to defray the associated expenses. The remaining amount(s) will be the monthly income to which the appropriate earned income disregards are applied to arrive at the monthly net income.
4. Self-employed individuals in a service business requiring purchase of goods or parts for repair or replacement. These include mechanics, TV repairmen, beauty salons, restaurants, etc. Such income may be accounted for on a monthly basis, or the income tax return from the previous year may be used if it reflects a full year's operation. In this instance, subtract the cost of goods or parts from the gross monthly or annual receipts to arrive at the adjusted gross income. If the cost of goods or parts sold includes any labor or wage amounts, those amounts must be deducted from the cost of goods or parts before subtracting the cost of goods or parts from the gross monthly or annual receipts. When the tax return is used, 1/12th of the annual adjusted gross income is monthly earnings. Seventy-five (75%) percent of the adjusted gross monthly income shall be disregarded to offset the cost of expenses such as heat, lights, phone, rent, or building, etc. Twenty-five (25%) percent of the adjusted gross income will be the monthly income. The appropriate share percentage must be applied to the monthly adjusted gross income based on the number of individuals listed on the self-employment schedules. This is the figure to which the appropriate earned income disregards are applied to arrive at monthly net income.
5. Income of self-employed individuals received other than monthly. In such cases, income must be established on the basis of the past year's total income to arrive at the amount of income to be anticipated for the current year and reduced to monthly increments. This is the preferred method of considering income arising from self-employment such as farming or other business enterprises. It is first necessary to establish the amount of total annual gross income. For purposes of CCAP, annual net income is normally defined as one-fourth of the annual gross income shown on Schedule F, Part I, of U.S. Form 1040, "Individual Income Tax Return," if the business is farming, or annual gross income shown on Schedule C, Part I, of Form 1040, if the business is other than farming.
6. CRP payments and cooperative distributions, which are considered unearned income, should be deducted from the total income figure on Form 1040, Schedule F, and prorated over a 12-month period.

After the appropriate percentage disregard is applied to self-employment income, capital gains and losses are considered. Income resulting from the sale of capital items or ordinary gains may be offset by a loss from the sale of capital items. The net result (but not less than zero), must be added to the other annual net income to arrive at total net annual income.

Note: Capital gains and losses are always counted when considering actual income for a prior period. When using the prior income to estimate income for a prospective period, however, use capital gains and losses that are reasonably expected to occur in the prospective period.

Capital gains, short term and long term, and ordinary gains are found on the federal tax form as follows:

a. Short term capital gains-Schedule D, Part I
b. Long term capital gains-Schedule D, Part II
c. Ordinary gains-Form 1040-Supplemental gains or losses

The following example demonstrates this process:

Gross annual income (from federal income tax return)	$16,500.00
Net annual income (25% of $16,500)	4,125.00
Capital and other gains	1,200.00
Yearly income	5,325.00
Monthly income (yearly income divided by 12)	443.75

The appropriate share percentage must be applied to the monthly adjusted gross income based on the number of individuals listed on the self-employment schedules.

Documentation/Verification of Self-Employment 400-28-65-10-35-05

REPEALED ML #3401

Corporation and Partnerships 400-28-65-10-37

REPEALED 04/01/14 ML#3401

Unearned Income 400-28-65-10-40

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

Unearned income is income not gained by current labor, service, or skill. Most unearned income is the result of past labor, services, or investments, which have enabled the individual to receive a current benefit or pension. Unearned income for both caretakers and children who must be included in the Child Care Assistance unit must be counted.

The types of income listed below are examples of unearned income and must be considered available in their entirety (unless it is determined to be a nonrecurring lump sum):

1. **Child/Spousal Support payments** - Child Care Assistance Program (CCAP) requires use of Fully Automated Child Support Enforcement System (FACSES) if the child support is disbursed through the State Disbursement Unit (SDU).

   The Eligibility Worker should use the View Eligibility Ledger Detail screen in FACSES to verify the amount of payment actually released to the caretaker.

   If child support is received through SDU via check, direct deposit or electronic payment card (EPC), the eligibility worker must allow three working days from the check date shown on the View Eligibility Ledger Detail (VIEW) screen in the FASCES system for posting to the financial account to correctly determine when the income is received. Day one of the three-day count is the check date on the VIEW screen in FACSES.

   NOTE: If a check is posted on the FACSES system on either of the last two working days of the month, it is counted as

income for the following month as it will not be received by the individual until the month following.

For payments not processed through FACSES, day one of the three day count is the date on the check or child support statement.

If the child support cannot be verified through FACSES, hard copy verification must be obtained from the caretaker.

2. **Benefit Payments** - Benefits paid through the Social Security Administration , Veterans benefits, pensions from all sources such as Railroad, North Dakota Old Age and Survivors Insurance System, private pensions, Workforce Safety and Insurance, Unemployment Compensation, union compensation during strikes, military allotments, disaster unemployment benefits, general assistance, Three Affiliated Tribal elderly payments, etc.;

   Note: Veteran's benefits designated for a specific purpose such as tuition, fees, books, etc. is not counted.

3. **Supplemental Security Income (SSI)**

4. **Loss-of-time private insurance or disability income** - Loss-of-time private insurance or disability income paid for the loss of employment due to illness.

5. **Rental and Lease Income** – Rental payments received without an appreciable amount of personal involvement and effort provided as a service to the tenant.

   Note: Property taxes, interest on mortgage loans, and insurance premiums for coverage of potential loss on the rental property can be allowed as a deduction from the rental income.

   Lease payments made to a household member for the use of lands occupied or owned by a household member.

6. **Mineral Lease Income** - Mineral lease rentals, bonus payments and royalties.

7. **Dividends and interest** – Dividend and interest income received from investments and insurance, but not from checking or savings accounts.

8. **Individual Indian Monies** – Non-excluded lease payment income deposited in and disbursed through Individual Indian Monies accounts maintained by individual Indians by the Bureau of Indian Affairs as proceeds from the lease of lands held by the federal government in trust for the Indian;

   Individual Indian Monies (IIM) will be prorated over a twelve-month period; (i.e., the income from the previous twelve months prior to application will be prorated over the twelve months following application). IIM up to $2000 per year from lease of land is exempt. Other IIM is countable.

   When new source income is deposited into an individual's IIM account, the countable amount will be determined as follows:

   Verification of the IIM account must be obtained for the most recent **Full** 12 month period through one of the three options currently identified in policy. Once verification of the IIM account is received, the eligibility worker will subtract any deposits that cannot be counted as IIM income, such as inheritances, VA, SSA, SSI, gaming profits, etc., based on current policy. Once those deposits have been subtracted, take the most current months, or an average if received for multiple months, new source income amount and multiply by 12. That amount must be added to all countable deposits for the twelve-month period (excluding the new source income deposited into the IIM account), deduct the $2000 disregard, and then divide the remaining balance by 12 to determine the monthly countable unearned income.

   Example #1: In 02/2009, the eligibility worker learns that the individual began receiving a new source of income in 02/2009 through their IIM account. The eligibility worker will request verification of the

IIM account for the period of February 1, 2008 thru February 28, 2009, the most recent FULL 12 month period, plus the current month of 02/2009, to capture the amount of the new source income.

Reviewing the ledger, the Eligibility worker would determine which income is countable. The new source income deposited in February was $850. Multiplying $850 by 12 equals $10,200. The countable income, not including the new source income, for the FULL 12 month period (February 1, 2008 thru January 31, 2009) totals $1,500. The total income to be considered for the 12-month period is $11,700 ($10,200 plus $1,500). After deducting the $2000 disregarded amount from $11,700, $9,700 must be annualized and the monthly amount of $808.33 counted as unearned income.

Example #2: A new application is received in July and the eligibility worker requests verification of the IIM account for the period of July 1, 2008 thru June 30, 2009.

Reviewing the ledger, the Eligibility worker determines a new source income began to be deposited in April 2009. The Eligibility worker would first determine which income is countable. The new source income deposited in April was $850, in May was $790 and in June was $825. The three months of the new source income would be totaled and divided by 3 and the average would be projected for a 12 month period ($2,465 divided by 3 equals $821.67). Multiplying $821.67 by 12 equals $9,860.04. The countable income, not including the new source income, for the 12 month period totals $87.29. The total of income to be considered for the 12-month period is $9,947.33 ($9,860.04 plus $87.29). After deducting the $2000 disregard from $9,947.33, $7,947.33 must be annualized and the monthly amount of $662.28 counted as unearned income.

Verification Options

There are three options by which verification may be obtained:

a. Request for verification of IIM account information using form SFN 413, Individual Indian Monies Account. This form will need to be notarized per requirements of the United States Department of the Interior, Office of the Special Trustee for American Indians, Office of Trust Funds Management. These releases are valid for one (1) year and must be renewed annually.

b. Individuals with IIM accounts receive statements from the Office of Trust Funds Management on a quarterly basis. A copy of this form may be requested from the applicant or recipient. However, the applicant or recipient will not receive the statement if the Office of Trust Funds Management does not have a current address.
c. The individual may obtain a statement of their IIM account directly from the Office of Trust Funds Management through the Bureau of Indian Affairs (BIA) by requesting the information in person or by making a telephone request. In both cases, the individual will need to know their account number and provide at least two forms of identification.

9. **Conservation Reserve Program (CRP) payments** - When a CRP contract is set up the full payment may be received by the landlord or operator, or a portion of the payment may be paid to a tenant of the farm. A portion of the payment is allowed to be paid to a tenant when the tenant was farming the land, or had an interest in the property (i.e. was on the previous contract), in the year before the contract was signed. The CRP contract specifies the amount of the payment and to whom the payment is made. For purposes of determining eligibility, only count the share the applicant or recipient receives per the CRP contract.

   Allowable expenses are those allowable costs of doing business that are claimed on the applicant or recipient's tax return, including property taxes and insurance as a deduction.

10. **Alaskan Dividend payment**

11. **Tribal gaming distribution payments**

12. **Tribal Spirit Lake Social Impact Payments** - Tribal Social Impact Payments (i.e. Spirit Lake Social Impact payments) are from Tribal gaming. The recipient receives the income annually and it is prorated over a 12 month period.

13. **Fund Raising** - Moneys received as a result of a fund raiser for individual tragedies if the family **receives** the funds directly.

14. **BIA General Assistance**

15. **Trust income received on a regular basis** - Submit all trusts to the Legal Advisory Unit for review and identify who is applying for assistance, send a complete copy of the trust agreement, provide verification of all assets owned by the trust, and provide any other relevant documents or information.

16. **Money from friends, relatives or others** - These funds are counted as unearned income if the money does not need to be repaid. If the money must be repaid, a written agreement must have been created at the time the money was received.

17. **Contracts or Contracts for Deed Installment** - Payments a household is receiving from an installment contract or contract for deed are considered unearned income. These payments must be prorated over the period of time they are intended to cover.

Treatment of Unearned Income 400-28-65-10-45

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

All unearned income must be verified and documented in the case file. All countable unearned income must be used in determining eligibility.

Unearned Income - When Received 400-28-65-10-50

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

All nonexempt unearned income shall be considered to be available in the month in which it is normally received. Unearned income is usually received at fixed intervals and at regularly scheduled dates.

> **Note:** When the receipt of regular unearned income varies because of weekends or holidays, the unearned income must continue to be counted in the month it would have normally been received or considered available had there not been a weekend or holiday.
>
> **Example #1:** Unearned income normally received on the first day of January is paid prior to January 1, due to the holiday. This income should be budgeted as received in January.
>
> **Example #2:** Unearned income normally paid on December 31 is paid after January 1. This income should be considered as received in December.

Unearned income received on an **irregular** basis is counted in the month it is actually received.

Unearned income held at the request of an individual shall be considered as income in the month normally received.

Documentation/Verification of Unearned Income 400-28-65-10-55

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-07

Actual unearned income must be verified. If the individual is known to a TANF, SNAP or Health Care Coverage program case, the primary verification for Social Security Administration (SSA) benefits will be the established through the State Data Exchange (SDX) or Third Party Query (TPQY) interfaces. When circumstances warrant, contact with the Social Security District Office to obtain benefit information may be necessary.

If the individual is not known to a TANF, SNAP or Health Care Coverage program case, the verification cannot be obtained through SSA (TPQY or SDX) interfaces or IRS (UFO or BENDEX) interfaces.

Documents or records available to verify unearned income include but are not limited to the following:

- SSA benefit letter or interface
- Unemployment Compensation benefit letter or interface
- Pension benefit letter
- VA benefit letter
- Railroad benefit letter

Verification of Child/Spousal Support received

Documents or records available to verify child/spousal support include but are not limited to the following:

- Divorce or separation papers
- Court order
- Support agreement
- Correspondence on support payments

- Receipts for contribution
- Employer Records of garnished wages
- Child Support Enforcement's FACSES ledger or Electronic Payment Card
- Print out from agency disbursing the child support

Disregard of Certain Income 400-28-65-15

(Revised 1/1/13 ML #3356)

View Archives

NDAC 75-02-01.3-07

Certain types of income are excluded in determining eligibility. The exclusion includes but is not limited to:

1. Earned income of all children in the household through the month of their 19th birthday and provided that the child is not a caretaker under this program. School attendance has no bearing on the income being excluded

2. Earned and unearned income of a Crossroad family

3. Earned and unearned income of a TANF or Diversion family

4. Any bonus, incentive payment, etc. that is not received every month

5. Reimbursement for expenses incurred in connection with employment. Example: Air Force personnel who receive income that is to be used for uniforms, this is to be deducted from the normal pay

6. Combat Pay - Any additional monies received by a household as the result of the deployment of a service member to a designated combat zone excluded.

   To determine the amount of service member's income that will be disregarded, compare the amount received before deployment and the amount received after the deployment. The difference between the two amounts is the amount that will be disregarded.

   Example: Dad was making $1,000 gross pay before deployment to a combat zone. He now is receiving $1,400. Disregard the additional $400.

   Combat Zone Tax Exclusion Areas - Executive Order 12744 (effective January 17, 1991)

Arabian Sea Portion that lies North of 10 degrees North Latitude and West of 68 degrees East Longitude:

- Bahrain
- Gulf of Aden
- Gulf of Oman
- Iraq
- Kuwait
- Persian Gulf
- Qatar
- Oman
- Red Sea
- Saudi Arabia
- United Arab Emirates

Direct Support of EO 12744

- Turkey effective January 1, 2003 - December 31, 2005
- Israel effective January 1 - July 31, 2003
- Eastern Med effective March 19 - July 31, 2003
- Jordan effective March 19, 2003
- Egypt effective March 19 - April 20, 2003

Executive Order 13239 (effective September 19, 2001

- Afghanistan

Direct Support of EO 13239

- Pakistan effective September 19, 2001
- Tajikistan effective September 19, 2001
- Jordan effective September 19, 2001
- Incirlik AFB effective September 21, 2001 - December 31, 2005
- Kyrgyzstan effective October 1, 2001
- Uzbekistan effective October 1, 2001
- Philippines (only troops w/orders that reference OEF) effective January 9, 2002
- Yemen effective April 10, 2002
- Djibouti effective July 1, 2002
- Somalia effective January 1, 2004

Executive Order 13119 (effective March 24, 1999)

Public Law 105-21 Establishing Kosovo as Qualified Hazardous Duty Area (March 24, 1999)

- The Federal Republic of Yugoslavia (Serbia/Montenegro)
- Albania
- The Adriatic Sea
- The Ionian Seas north of the 39th parallel

Public Law 104-117 Establishing a Qualified Hazardous Duty Area (November 1995)

- Bosnia
- Herzegovina
- Croatia
- Macedonia

7. Reimbursement for work related expenses incurred which do not represent a gain or benefit to the household (medical expenses, per diem, travel and lodging)

8. Flex Comp income paid to the family - Employee may have a regular deduction from the gross income set aside in a special account, from which the employee can later receive reimbursement for certain expenses. Child Care Assistance Program (CCAP) must use the gross income before the Flex Comp deduction is made.

9. Income tax refunds and Earned Income Tax Credits (EITC)

   Note: Advance EITC payments are excluded as income. CCAP uses the gross income to determine CCAP eligibility and benefits. Since the AEITC does not change the amount of the gross pay, it is disregarded.

10. Earnings from on-the-job training Summer Youth Employment and Training Program provided by Workforce Investment Act (WIA) Public Law 97-300

11. Wages received as the result of participation in Experience Works (previously known as Green Thumb Program), Vista, and the Foster Grandparent Program

12. Fund raising for a family when the family **does not** directly receive the monies

13. Irregular cash gift

14. Irregular income from sale of craft items, rummage sales, etc.

15. Loans that require repayment - This loan must be verified, (i.e. a written agreement between the parties must have been executed at the time the loan was agreed upon)

16. Education loans, financial aid, scholarships, stipends (such as ones through United Tribes Technical College) and funds from the John H. Chafee Foster Care Independence Program) or grants from all sources; whether for under-graduate or graduate student, fellowship or gift or portion of a gift used to pay the costs of caretaker's tuition and fees at any educational institution, vocational rehabilitation payments

    Note: These funds are not countable when receiving them does not require the individual to work.

17. Montgomery GI Bill, Education Assistance

18. Income from the Reserve Educational Assistance Program (REAP)

19. TANF (including Transition, Kinship Care and Post-TANF) and Diversion reimbursements and supplements for these programs

20. Family subsidy payments

21. Subsidized Guardianship payments

22. Foster Care payments

23. Adoption Assistance payments

24. Supplemental Food Program for Women, Infants and Children (WIC) and the National School Lunch Program

25. Supplemental Nutrition Assistance Program (SNAP) benefits and Food Commodities

26. Utility payment subsidies payable to the family

27. Vendor payments or payments made to others on the household's behalf, provided that such payments were not directed to the household; (e.g., the payment does not go through the family but to a third party)

28. Gaming winnings

29. All dividends and interest from savings and checking accounts

30. Loss settlement. Disregard only the portion obligated to replace the loss or pay off indebtedness

31. Assistance to individuals other than wages, under Older Americans Act of 1965, Public law 95-478

32. Payments received under the Civil Liberties Act of 1988 by American-Japanese citizens displaced during World War II

33. Payments received under Public Law 101-201 regarding Agent Orange settlements

34. Radiation Exposure Act Settlements under Public Law 101-426

35. Allowances paid under Public Law 106-419 to children of female Vietnam veterans who suffer from certain covered birth defects

36. Income from the Bering Straits Native Corporation (BSNC), which was incorporated as a regional corporation pursuant to the provision of the Alaska Native Claims Settlement Act

37. Census Income

38. General Assistance, BIA or Social Services paid by voucher or vendor payment

39. LIHEAP – Low-Income Home Energy Assistance program

40. Workforce Investment Act (WIA) - needs-based payments, support services and relocation expenses provided to a caretaker through this program

41. Tribal Native Employment Works program training allowances

42. Training stipends provided by private, charitable organizations to a caretaker who is a victim of domestic violence for the caretaker to attend educational programs

43. Alaska Native Claim Settlement Act

44. Compensation for jury duty

45. Federal Emergency Management Agency (FEMA) Disaster payments including Disaster Unemployment Benefits

46. Payments for Care and Maintenance of Non-Household Member(s) - When monies are received by a child care household for the care and maintenance of a non-household member, the payment that is identified as belonging to the non-household member is excluded if the caretaker can provide documentation that the monies received have been given to provide for the care of the non-household member.

    Example #1: A caretaker is receiving child support in the amount of $150.00 per month per child for two children. The caretaker reports one of the children has moved and is residing with a grandparent. The portion of child support for the child who moved (up to $150) that the caretaker gives to the grandparents is not countable income to the caretaker.

    Example #2: A caretaker is a protective payee for an adult non-household member who receives SSI. The SSI payment would not be counted as income.

47. Gift cards and gift certificates
48. In-store credit/bonus when there is no option to receive wages.
49. Indian Per Capita
50. Tribal food coupons
51. Flexible spending account employee funded - Child Care Assistance program counts gross income therefore the funds put into the account are already accounted for
52. Contributions by an employer into a medical savings account - employer contributions are not considered income

53. Contributions by an employee into a medical savings account - the gross income contributions by an employee are already counted as income
54. Health reimbursement arrangements which are employer funded are not counted as income if the employer contributes to the account

Lump Sum Payments 400-28-65-20

Nonrecurring Lump Sum Unearned Income Payments 400-28-65-20-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

Unearned income received on a non-recurring or irregular basis is considered nonrecurring lump sum payments and are not countable.

Nonrecurring lump sum payments are limited to only those payments that can reasonably be expected not to occur again. Examples of nonrecurring lump sum payments include, but are not limited to:

- Lump sum payments from Social Security
- Lump sum payments from Railroad Retirement
- Lump sum payments from Veterans benefits
- Lump sum payments from Workforce Safety and Insurance
- Lump sum payments from Unemployment Compensation
- Military Re-enlistment payments
- Insurance settlements
- Inheritances
- Contests
- Gambling winnings
- Severance pay (represents a nonrecurring compensation outside of regular earnings)
- Income tax refund
- Employee's withdrawal of a retirement fund taken in a lump sum payment
- Supplemental Security Income (SSI) back payment
- Bonus payments on mineral leases

For treatment of lump sum earned income, see Section 400-28-65-10-20, Earned Income - When Received.

Recurring Lump Sum Unearned Income 400-28-65-20-10

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

Unearned income received on a recurring or regular basis is considered recurring lump sum payments. This income is countable and must be prorated over the period the payment is intended to cover.

Recurring lump sum payments received after application for the Child Care Assistance Program are prorated over the number of months the payment is intended to cover.

> **Note:** The prorated lump sum payment must continue to be counted if the case closes and then reopens during the prorate period or within the following prorate period. This prevents cases from being closed temporarily to avoid using the lump sum income.

Examples of recurring lump sum payments include, but are not limited to:

- Land rental income
- CRP
- IIM monies
- Mineral Royalty/Lease Income

For treatment of *Earned Income* lump sum payments, see Section 400-28-65-10-20, Earned Income - When Received.

Terminated Source of Income 400-28-65-25

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

Income is considered a terminated source of income when the final payment of income is received in the month prior to, the month of, or the month following the month:

- The application is received;
- The 6 month review is due;
- The case changes from Waived Co-pay to Co-pay

If at application, 6 month review, or when a case changes from Waived Co-pay to Co-pay and the caretaker indicates income has ended from any source, the caretaker must provide verification of the terminated source and the last date it was received. Since income eligibility is determined prospectively, this income would not be used as it is not an ongoing source of income and will not be received during that certification period.

> **Note:** If verification of the terminated source income and the last date it was received is not provided, the application must be denied or the case closed.

If a caretaker is requesting child care for the month prior to the month of application and the caretaker indicates income has ended from any source, the caretaker must provide verification of the terminated source and the last date it was received. All actual gross income received in the prior month is used to determine eligibility for the prior month including terminated sources of income.

When adding a person to an ongoing case and the caretaker indicates the added individual's income ended from any source, the caretaker must provide verification of that individual's terminated source of income and the last date it was received. That income would not be used as it is not an

ongoing source of income and will not be received during the remainder of the certification period.

> **Note:** Gross income of existing individuals in the case continues to be counted until the next review whether or not the existing individual's income terminates.

If a caretaker in an ongoing case reports that income from a specific source is terminated, no changes in income are made as changes in income do not affect eligibility during a certification period.

Allowable Income Deductions 400-28-65-30

Overview 400-28-65-30-05

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-07

NDAC 75-02-01.3-09

Allowable deductions are deducted from gross countable income. Allowable deductions must be verified. If the allowable deductions are not verified, they cannot be allowed.

The only allowable deduction from gross countable income is court ordered child/spousal support paid, including arrearages.

If eligibility is being determined for a prior month, policy that applies to allowable income deductions is found in Section 400-28-70-10, Converting Allowable Income Deductions.

If eligibility is being determined prospectively for allowable income deductions, policy that is applied to income is applied to allowable deductions and is found in the Child Care Assistance Program manual section 400-28-75, Budgeting for the Child Care Assistance Program.

A household must be given the opportunity to verify allowable deductions. If a household has been given that opportunity and does not provide the verifications, the case is processed without consideration of the claimed deductions.

If deductions are not provided when requested, but provided after the case has been processed, the deductions cannot be used. The household will be given the opportunity to claim those expenses at the next application, 6 month review and when a case changes from Waived Co-pay to Co-pay to provide current information.

If a household member was being allowed deductions and leaves the household, the allowable deduction is removed when the household member is removed.

Child/Spousal Support Deduction 400-28-65-30-10

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

NDAC 75-02-01.3-09

Court ordered child or spousal support paid, including arrearages, are allowable deductions. Any other private arrangement for child/spousal support being paid, which are not court ordered is not allowed even if the individuals have a mutual agreement.

Court ordered child or spousal support payments made to an individual outside the home or to an agency must be allowed even if the child or spouse for whom the support was paid is a household member.

If child or spousal support is being withheld from income as a result of a court order (income withholding) and this is reflected on the paystubs and the child support is going to the ND State Disbursement Unit, any other disbursement unit or Clerk of Court (which verifies that it is actually being received by that unit), use the amount on the paystub and the obligor's pay date to determine the date paid. In this situation, the obligor has paid the monies per the court order and how long it takes the employer to get the monies to the State Disbursement Unit, other disbursement unit, or Clerk of Court and when the monies are released to the obligee does not affect the fact that the obligor has paid and for Child Care Assistance Program (CCAP) purposes will be considered paid at the time the monies are taken from the paycheck.

If court ordered child support or spousal support is being paid directly by the obligor to the ND State Disbursement Unit, or other disbursement unit, or Clerk of Court verification of monies being received by the ND State Disbursement Unit, any other disbursement, or Clerk of Court must be provided. In this situation, CCAP will consider that the obligor has paid the

monies when the monies are received by the ND State Disbursement Unit, any other disbursement unit, or Clerk of Courts.

If the obligor's income is from a new source and there are no actual pay stubs that reflect the amount of court ordered child or spousal support being deducted, the court order, information obtained through FACSES, another disbursement unit, or clerk of court would be used.

Documentation/Verification of Court Ordered Child/Spousal Support Deductions 400-28-65-30-10-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

NDAC 75-02-01.3-09

Court ordered child/spousal support deductions may include but are not limited to the following:

- Child Support Enforcement's FACSES ledger (Fully Automated Child Support Enforcement System)
- Court order from another state if not paid through ND
- Child support stubs
- Documented collateral contact
- Pay stubs
- Child support website
- Print out from agency disbursing the child support.

Garnishments from Income 400-28-65-30-15

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

Any garnishments – whether from earned or unearned income - are not excluded. The total gross income (to include the amount garnished) must be counted.

Overpayment being deducted from payments such as Social Security Disability, Survivors and Retirement, Supplemental Security Income (SSI), and Veteran's Administration (VA) benefits are normally considered to be available because the applicant or recipient can pursue a waiver of the overpayment. Only if the waiver has been denied after a good faith effort, can the overpayment deductions be considered unavailable.

Occasionally other delinquent debts owed to the federal government may be collected from an individual's benefit. These other reductions of benefits are not allowed to reduce the countable benefit amount. The award amount of the benefit is counted as available.

Converting Income 400-28-70

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-07

Income for the Child Care Assistance Program (CCAP) is converted to a monthly income. Income must be converted for all cases where income (both earned and unearned) is received either weekly or biweekly.

Income conversion does not apply to the following:

- Income for individuals who have a Waived Co-pay as income is not counted
- Self-employment income
- Child support income
- When eligibility is being determined for the month prior to the application month
- Individuals paid monthly, semi-monthly, or irregularly

> **Note:** Tips, commissions, monthly bonuses or incentive that are paid monthly, semi-monthly, irregularly and are not included on the paystub are not converted. The tips, commissions, monthly bonuses or incentives must be counted separately as earned income.

For regular income if an individual is paid weekly or bi-weekly but did not receive a pay check for each pay period, the wages must still be converted.

Tips, commissions, monthly bonuses or incentives that are paid weekly or biweekly and included on the paystub must be converted.

To convert weekly earnings, total the weekly checks and divide by the number of checks to arrive at the weekly average. The weekly average is then multiplied by 4.3.

To convert biweekly earnings, total the biweekly checks and divide by the number of checks to arrive at the biweekly average. The biweekly average is then multiplied by 2.15.

When an individual begins a new job, or has a change in the number of hours employed and the employer verifies a range of work hours, the greater number of work hours verified must be used to determine the income for the caretaker.

Converting Income and Allowable Income Deductions 400-28-70

Converting Income 400-28-70-05

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-07

Income for the Child Care Assistance Program (CCAP) is converted to a monthly income.

Conversion applies to all cases when income (both earned and unearned) is received either weekly or biweekly. Conversion applies to the tips, commissions, bonuses or incentives that are listed on paystubs received weekly or bi-weekly.

Income conversion does not apply to the following:

- Income for individuals who have a Waived Co-pay as income is not counted
- Self-employment income
- Child support income
- When eligibility is being determined for the month prior to the application month
- Individuals paid monthly, semi-monthly, or irregularly
- Tips, commissions, bonuses or incentive pay which is **not** listed as income on paystubs is counted separately as earned income

To convert weekly earnings, total the weekly checks and divide by the number of checks to arrive at the weekly average. The weekly average is then multiplied by 4.3.

To convert biweekly earnings, total the biweekly checks and divide by the number of checks to arrive at the biweekly average. The biweekly average is then multiplied by 2.15.

Regular income received by those individuals who normally are paid on a weekly or bi-weekly basis must be converted even when the individual did not receive a check for each pay period in the month. To arrive at the weekly or bi-weekly amount to be converted, the gross amount of each check is totaled, then divided by the number of checks actually received.

When an individual begins a new job, or has a change in the number of hours employed and the employer verifies a range of work hours, the greater number of work hours verified must be used to determine the income for the caretaker.

Converting Allowable Income Deductions 400-28-70-10

(Revised 10/1/12 ML #3348)

View Archives

Allowable income deductions (court ordered child/spousal support deduction) for individuals who pay their child support weekly or bi-weekly (either paid by the individual or deducted from the paycheck) must be converted. The process for converting these deductions is the same as income.

Conversion for allowable income deductions (court ordered child/spousal support deduction) does not apply if the child support is not paid weekly or bi-weekly. If not paid weekly or bi-weekly, the amount actually paid each month is the amount allowed.

Conversion for allowable income deductions does not apply to the month prior to the application month. Actual deductions paid in the prior month are used.

Budgeting for the Child Care Assistance Program 400-28-75

Determining Income for the Month Prior to the Month of Application 400-28-75-05

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

If the caretaker requests child care for the month prior to the month of application, all countable gross income received in the prior month is used including income from a terminated source. Eligibility for the month prior to the month of application is based on actual income.

Prospecting Income for the Certification Period 400-28-75-10

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-07

Gross income, **either earned or unearned**, must be determined prospectively because eligibility is determined for a specific certification period. The gross income used to issue the certificate must be reflective of the gross income for the period of time the certification period covers.

If during a certification period, income must be updated for the final month of the certification period, the income that is used must be from the final month or the month prior to the final month as the gross income must be reflective for the period of time the certification period covers.

Each source of non-exempt income received by the household must be considered separately to determine what the prospective income from that source will be.

Determining prospective income includes converting earned and unearned income.

Exception: Child Support income is not converted.

Determining Prospective Income at Application 400-28-75-15

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07Determining Prospective Income at Application 400-28-75-15

(Revised 4/1/14 ML #3401)

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NDAC 75-02-01.3-07

All gross earned and unearned income received in the month of application through the date the application is received in the county social service office must be verified and documented.

All gross earned and unearned income received in the month prior to the application month must be verified and documented.

If all gross income for the month of application from a specific source is available and reflects a full month's worth of income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period including the application month.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If all gross income from a specific source is not available for the application month, the income from the prior month reflects a full month's worth of

income and the caretaker does not anticipate any changes, the prior month's income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If the caretaker does not anticipate the prior month's or application month's gross income from a specific source to be reflective of the next month's income, the caretaker must provide verification of anticipated income for the next month as any changes in anticipated income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If the caretaker does not anticipate the gross income from a specific source for the prior month, application month or the month following the month of application to be reflective of the monthly income for the certification period, the caretaker must provide verification of what the monthly income will be for the certification period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

All gross earned and unearned income received in the month of application through the date the application is received in the county social service office must be verified and documented.

All gross earned and unearned income received in the month prior to the application month must be verified and documented.

If all gross income for the month of application from a specific source is available and reflects a full month's worth of income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period including the application month.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If all gross income from a specific source is not available for the application month, the income from the prior month reflects a full month's worth of income and the caretaker does not anticipate any changes, the prior month's income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If the caretaker does not anticipate the prior month's or application month's gross income from a specific source to be reflective of the next month's income, the caretaker must provide verification of anticipated income for the next month as any changes in anticipated income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

If the caretaker does not anticipate the gross income from a specific source for the prior month, application month or the month following the month of application to be reflective of the monthly income for the certificate period, the caretaker must provide verification of what the monthly income will be for the certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the application must be denied.

Determining Prospective Income at 6 Month Review 400-28-75-20

Determining Countable Income When Review Form is Received Timely 400-28-75-20-05

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

If the gross income from a specific source for the month prior to the month the review form is submitted reflects next month's income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income for the month of review from a specific source is available and reflects a full month's worth of income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If the caretaker does not anticipate the prior month's or month of review's gross income to be reflective of the next month's income, the caretaker must provide verification of anticipated income for the next month.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.

- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If the caretaker does not anticipate the gross income from a specific source for the prior month, month of review or the month following the month the review is due to be reflective of the monthly income for the certificate period, the caretaker must provide verification of what the monthly income will be for the new certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

Determining Countable Income When Review Form is Received After Case Closed 400-28-75-20-10

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

When a case closes for no review and the review form is submitted in the month following the case closure, if all gross income from a specific source is available for the month the review form is submitted, the income reflects a full month's income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the review, which is used as an application, must be denied.

If all gross income from a specific source is not available for the month the review form is submitted, the income from the specific source for the month prior to the month the review form is submitted must be obtained. If that income reflects next month’s income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the review, which is used as an application, must be denied.

If the caretaker does not anticipate the gross income from the prior month or month the review was received to be reflective of the next month’s

income, the caretaker must provide verification of anticipated income for the next month and that income must be used for all months of the certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all months of the new certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the review, which is used as an application, must be denied.

If the caretaker does not anticipate the gross income from a specific source for the month prior to the month the review form was received, the month the review form was received, or the month following the month the review form was received to be reflective of the monthly income for the certificate period, the caretaker must provide verification of what the monthly income will be for the new certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for all months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the review, which is used as an application, must be denied.

Determining Prospective Income for Persons Added or Removed 400-28-75-25

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

The gross income of an individual being removed from the household is no longer counted effective the month the individual is deleted from the household.

The income of individuals being added to the household must be considered effective the month they are added.

If adding and removing persons at the same time:

- The income for all persons being removed is no longer used
- The income of all persons added is used
- The new household size must be determined
- The income of the existing household members remains unchanged
- The change in the household's income and household size is applied to the Child Care Sliding Fee Schedule.

If all gross income from a specific source is available for the month the individual entered the home and the individual does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for the remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income from a specific source is not available for the month the individual entered the home, the income from the prior month reflects next month's income and the individual does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for the remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income from a specific source is available for the month the individual entered the home or the prior month and the individual anticipates a change in income for the next month, the caretaker must provide verification of anticipated income for the next month.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for the remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income from a specific source for the month the individual entered the home, the month prior to the month the individual entered the home or the month following the month the individual entered the home is not reflective of the income for the remainder of the certificate period, the caretaker must provide verification of anticipated monthly income for the remainder of the certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for the remainder of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

Determining Prospective Income When Changing from Waived Co-pay to Co-pay 400-28-75-30

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-07

When an ongoing Child Care Assistance Program (CCAP) case is receiving TANF, Diversion or Crossroads and that program is closed, the CCAP case is changed from Waived Co-pay to Co-pay the month following the month the TANF case closes. Since the CCAP case is now Co-pay, income must be used to determine eligibility.

If all gross income from the final month of TANF, Diversion or Crossroads is available to the recipient, the income reflects a full month's income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income from a specific source is not available to the recipient from the final month of TANF, Diversion or Crossroads, the income from the specific source for the month prior to the final month of TANF, Diversion or Crossroads must be obtained. If that income reflects next month's income and the caretaker does not anticipate any changes, that income must be verified.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for the remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If the caretaker does not anticipate the gross income from the final month of TANF, Diversion or Crossroads or the month prior to the final month of TANF, Diversion or Crossroads to be reflective of the next month's income, the caretaker must provide verification of anticipated income for the next month.

- If the caretaker provides the verification in the allotted timeframe, that income must be used for all the remaining months of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

If all gross income from a specific source from the final month of TANF, Diversion or Crossroads or the month prior to the final month of TANF, Diversion or Crossroads or the month following the final month of TANF, Diversion or Crossroads is not reflective of the income for the remainder of the certificate period, the caretaker must provide verification of anticipated monthly income for the remainder of the certificate period.

- If the caretaker provides the verification in the allotted timeframe, that income is used for the remainder of the certification period.
- If the caretaker does not provide the verification in the allotted timeframe, the case must be closed.

Determining Prospective Income When Changing from Co-pay to Waived Co-pay 400-28-75-35

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-07

When an ongoing Child Care Assistance Program (CCAP) case is approved for TANF, Diversion or Crossroads, the case is considered a Waived Co-pay case and the certificate must be updated effective the month the case is approved for TANF, Diversion or Crossroads.

> **Note:** The income does not count and must be removed from the system when changing the grant type in the CCAP payment system to T (TANF), L (Transition), C (Crossroads) or D (Diversion).

Rounding 400-28-75-40

(Revised 10/1/11 ML #3278)

View Archives

Income and the amount paid to the provider are to be rounded down to the nearest dollar.

- On the Excel Spreadsheet, enter the full amount of income and the spreadsheet will round down the income after allowable deductions are subtracted.
- For the computer system, the eligibility worker should round down the gross amount of income prior to entering the income on the calculation screen.

> **Example:** A family has multiple paychecks each month from a couple of jobs. After conversion of the income, the total income equals $700.75 from job A, $50.82 from job B and $643.18 from job C, total $1394.75. The family pays $144.00 in child support. Total countable income is $1250.75 and is rounded down to $1250.00.

Income Levels 400-28-75-45

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-07

The income level does not apply to TANF, Crossroads, or Diversion cases as income for these cases is not counted. The income level applies to Co-pay cases.

Gross income is the income before any deductions. The gross income, earned and unearned, of all household members will be used for the Child Care Assistance Program (CCAP) including the members in a loco parentis household, stepparent, and unmarried couples where paternity of at least one child in common is acknowledged or adjudicated.

Countable income is determined by taking the gross countable income and deducting court ordered child and/or spousal support.

The countable income and household size of the family is matched against the Child Care Sliding Fee Schedule to determine if a family meets the income level for CCAP.

The household's countable income must be tested against the income level and applied to the Child Care Sliding Fee Schedule at initial application, 6 month review, when adding and removing household members and when a case changes from Waived Co-pay to Co-pay.

If countable income exceeds the income limit on the Child Care Sliding Fee Schedule based on the household size, the household is not eligible and the following action must be taken:

- At application, the application will be denied
- At 6 month review, the case will be closed

- When adding person(s) or removing person(s), the case would be closed.

When Income and Allowable Income Deductions are Verified and Changed 400-28-75-50

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-07

Verification of gross income and allowable income deductions for all household members is required at application, 6 month review, or when a case changes from Waived Co-pay to Co-pay.

In an ongoing case, changes in gross income or allowable income deductions for existing household members are not acted upon, unless the household's monthly gross income less the monthly amount the household is paying for court ordered child support or spousal support exceeds the highest income level for its household size (Refer to 400-28-75-45, Income Levels and 400-28-125-05, Mandatory Changes).

In an ongoing case if the household's countable income exceeds the highest income limit for its household size and the increase in income is anticipated to continue, a closing notice for excess income must be sent to close the case at the end of the month the closing notice is sent.

If in an ongoing case if the household's countable income exceeds the highest income limit for its household size and the household does not anticipate the income will continue to exceed the highest income limit, the household must provide verification of all of the future month income and allowable expenses, the total amount of which must be less than the appropriate income limit in order for future month eligibility to be established.

When adding a household member, only the household member who is being added must verify their gross income and allowable income deductions. No change in income or deductions are made to the income and deductions of the already existing household members, unless the

addition of a household member causes the household to exceed the highest income limit for its household size. (Refer to policy at 400-28-75-45, Income Levels and 400-28-125-05, Mandatory Changes.)

When removing a person, the gross income and allowable income deductions of the person being removed are deleted for the same month the individual is being removed from the case. No change in income or deductions are made to the income and deductions of the already existing household members unless removing a household member causes the household to exceed the highest income limit for its household size. (Refer to policy at 400-28-75-45, Income Levels and 400-28-125-05, Mandatory Changes.)

When a case goes from Co-pay to Waived Co-pay, the gross income and allowable income deductions of all household members are not counted and must be removed from the Child Care Assistance Program payment system. (Refer to 400-28-75-35, Determining Prospective Income When Changing from Co-pay to Waived Co-pay.)

When a case goes from Waived Co-pay to Co-pay, refer to 400-28-75-30, Determining Prospective Income When Changing from Waived Co-pay to Co-pay.

Calculation of Allowable Child Care Hours 400-28-80

Overview 400-28-80-05

(Revised 10/1/11 ML #3278)

View Archives

The calculation of allowable child care hours must be completed to determine the child care needs of a child based on the child's schedule and the caretaker's activity hours.

Calculating Allowable Child Care Hours 400-28-80-10

(Revised 10/1/12 ML #3348)

View Archives

To calculate the Level of Care, the eligibility worker must determine the actual allowable hours by:

- Determining the weekly allowable activity hours for the caretaker for **each** activity
- Determining the weekly schedule for each child
- Determine each child's Level of Care using the caretaker's schedule and the child's schedule
  - Any weekly hours the caretaker is participating in an allowable activity and the child needs care during the time the caretaker is in the allowable activity will determine the child's hours of needed care per week.
  - The child's hours of needed care per week determine the Level of Care of full time, part-time, or hourly.

When determining the caretaker's activity schedule:

- If the caretaker has a set schedule and the schedule is not questionable, use the caretaker's schedule to calculate each child's hours of needed care per week.
- If the caretaker does not have a set schedule and informs the Eligibility Worker of their schedule, if the schedule is not questionable, use the caretaker's schedule for the same month the income is used to calculate each child's hours of needed care per week.
- If the caretaker does not have a set schedule and the caretaker provides a schedule that is questionable, the caretaker must provide verification of the schedule for the same month as the income is used. Use the caretaker's verified schedule to determine each child's hours of needed care per week.

The following methods must be used to determine the weekly allowable activity hours of the caretaker's activity:

1. Work Hours Calculation

Weekly work hours are determined by using verified paystubs, employer's statements, etc. Refer to 400-28-80-15, Travel Time and Lunch Break Calculation, to determine additional allowable hours.

If the caretaker is engaged in ongoing employment:

- Paystubs from the month of application are used if all are available and are reflective of the anticipated work hours.
- If paystubs from the month of application are available and are not reflective of the anticipated work hours, the caretaker must provide verification of the anticipated work hours and these hours will be used to determine the weekly allowable activity hours.
- If all paystubs from the month of application are not available paystubs from the month prior to the application month are used if they reflect the anticipated work hours.
- If paystubs from the month prior to the application month are not reflective of the anticipated work hours, the caretaker must provide verification of anticipated work hours and these hours will be used to determine the weekly allowable activity hours.

If the caretaker begins new employment the caretaker must provide verification from the employer of the anticipated weekly work hours.

Once hours have been established, the worker must calculate the weekly average hours for the allowable activity of the caretaker.

To calculate the number of weekly work hours the following methods are used:

- For individuals who are paid weekly, the total number of work hours shown on all pay stubs received in the month are divided by the number of pay stubs in the month to arrive at the average weekly hours worked.
- For individuals who are paid bi-weekly, the total number of work hours shown on the pay stubs received in the month are divided by the number of pay stubs received in that month to arrive at the average number of work hours per pay period. The pay period total hours are then divided by 2 to arrive at the average weekly hours worked.
- For individuals who are paid semi-monthly, the total number of work hours shown on both pay stubs received in the month are

divided by the number of pay stubs received in that month to arrive at the average number of work hours per pay period. The pay period total hours are then divided by 2 to arrive at the average weekly hours worked.

- For individuals who are paid monthly, the total number of work hours shown on the pay check received in the month are divided by 4 to arrive at the average, weekly hours worked.
- For individuals who are paid on an irregular basis, the total number of work hours shown on the paystub(s) received in the month are divided by 4 to arrive at the average weekly hours worked. (e.g. Individuals who work on call, as needed, etc.)

If an employer verifies a range of work hours, the higher number of work hours verified will be used as the allowable activity hours for the caretaker.

Note: The pay stubs, employer statement, work schedule, etc., that was used to determine the income eligibility must be the same paystubs, employer statement, work schedule, etc., that is used to determine allowable activity hours.

For individuals who are self-employed, the individual must provide a schedule completed by the individual, listing the hours the individual will participate in their self-employment activity for the month of application and the month prior to the month of application.

- The hours for the month of application are used if they are reflective of the anticipated work hours.
- If the hours from the month of application are not reflective for the future, the hours from the month prior to the application month are used if they reflect the anticipated work hours.
- If the hours from the month of application or the month prior to the month of application are not reflective of the anticipated work hours, the caretaker must provide a schedule, completed by the individual, listing the hours anticipated to work for the future month.

2. Student Hours Calculation

The number of credit hours a student is enrolled must be verified by a class schedule. Each credit will be multiplied by 2 and the total will represent the number of hours per week the student is considered

engaged in an education activity. Refer to 400-28-80-15, Travel Time and Lunch Break Calculation to determine additional allowable hours.

> **Example:** A student's class schedule verifies 12 credit hours. Multiplying each credit by 2 results in 24 hours per week as the student's allowable child care hours. The student is allowed travel time and lunch break time. 24 allowable hours x 25% for travel and lunch break equals 6 hours. 24 hours plus 6 travel and break time hours equals 30 hours. 30 hours per week may be used for both class attendance and study time. However, the class attendance and claimed study time cannot exceed the number of hours that have been determined.

Students who attend classes that are NOT based on credit hours, their hours must be verified based on a class schedule that lists the hours the individual is required to attend class. Refer to 400-28-80-15, Travel Time and Lunch Break Calculation to determine additional allowable hours.

> **Example:** An individual is attending Beauty School and attends class from 8:30 am to 5:00 pm Monday thru Thursday and from 8:00 am to 12:00 pm on Friday, based on her class schedule. The student is allowed 38 hours per week of allowable activity hours.

Hours can be allowed for a caretaker in education who has a break of less than a full calendar month between terms, if the provider charges for time during the break.

> **Example:** An individual was in education from August through early December and will return to school in January. The provider continues to charge the individual during the break. The same level of care should continue during the semester break so as to not disrupt the family's child care availability.

For online classes, two (2) hours will count for each credit hour per week a student is enrolled in an allowable education activity. Generally the computer tracks the amount of time an individual participates in an on-line course and is recorded by the college. In these situations, the college would have record of the amount of time an individual participated in the on-line courses. Whether the computer tracks the hours or not, an individual participating in an online class must provide a schedule completed by the individual listing the hours the individual will participate in the online classes.

Allowable hours for students who are attending high school or GED must be verified by a class schedule. Refer to 400-28-80-15, Travel Time and Lunch Break Calculation to determine additional allowable hours.

To calculate any type of school hours:

- The hours for the month of application are used if they are reflective of the class hours
- If the hours from the month of application are not reflective for the future, the hours from the month prior to the application month are used if they are reflective of the anticipated class hours
- If the hours from the month of application or the month prior to the month of application are not reflective of the anticipated class hours, the caretaker must provide a schedule of the anticipated class hours. For online classes, the caretaker must provide a schedule completed by the individual listing the hours anticipated to participate in the on-line classes for the future month.

The above would also apply at time of review, when adding an individual into a case and when changing a case from Waived Co-Pay to Co-Pay.

3. Job Search Hours Calculation

Up to 20 hours a week can be allowed for job search. The cartaker(s) must provide a written statement stating the number of hours they will be participating in job search each week. See policy in Section 400-28-55-05 Allowable Activities for additional information regarding Job Search. No additional hours are allowed for travel and breaks.

NOTE: This does not apply to JOBS and Tribal NEW recipients as the Employability Plan determines the allowable hours.

Hours that cannot **be** used to calculate allowable hours for the Level of Care include:

- The provider is absent for any reason (e.g. such as medical, holiday, vacation, temporary illness)

- The caretaker(s) is absent from the allowable activity for any reason (e.g. such as medical, holiday, vacation, maternity leave, temporary illness)

  Exceptions:

  - If the absence meets the criteria in Section 400-28-80-25, Absent Days for Illness section of this manual
  - If the hours for a college student meets the criteria in Section 400-28-80-10

Travel Time and Lunch Break Calculations 400-28-80-15

(Revised 10/1/11 ML #3278)

View Archives

Reasonable travel time and breaks must be allowed while participating in an allowable activity. For all activities, an additional 25% of the caretaker's allowable weekly activity hours will be added to their hours to allow for travel time and lunch breaks.

> **Exception:** Time for travel and lunch break are not allowed for Job Search.

At the end of the calculation the hours are rounded up.

> **Example:** If the caretaker is an allowable activity 17 hours per week:
>
> 17 x .25 = 4.25 hours
>
> 17 + 4.25 = 21.25
>
> Rounded up to 22 hours
>
> The caretaker's allowable activity hours per week are 22.
>
> If the caretaker's travel and break time exceeds the 25%, this will need to be reviewed on a case by case basis. The case must be documented to support the additional hours for travel and breaks.

Night Shift Work 400-28-80-20

(Revised 10/1/11 ML #3278)

View Archives

A caretaker who works night shifts, such as midnight to 8:00 a.m., will require sleep time. Up to 6 hours of sleep time after each shift can be allowed.

Absent Days for Illness 400-28-80-25

(Revised 10/1/12 ML #3348)

View Archives

Up to 16 hours per calendar month can be allowed for a child who is absent from their child care setting for reasons of illness or while they attend medical appointments if the provider normally requires payment to maintain the spot of a child absent for those reasons.

Up to 16 hours per calendar month can be allowed when the caretaker is absent from their allowable activity to take care of the child who is absent from their child care setting because of the child's illness or to attend the child's medical appointments and the provider normally requires payment during that absence.

> **Note:** Medical documentation and verification of hours the caretaker was or was not in the allowable activity on the absent days is not needed for absent days unless fraud is suspected.

The days and number of hours per day that the child was absent because of their illness or to attend medical appointments must be listed on the Child Care Billing Report form. The hours a parent was absent from their allowable activity to care for the child are not listed on the form by the parent.

Crossroad Hours Calculation 400-28-80-30

(Revised 4/1/12 ML #3327)

View Archives

Allowable activity hours are verified through the County Crossroads worker.

TANF Hours Calculation 400-28-80-35

(Revised 10/1/11 ML #3278)

View Archives

Allowable activity hours are based on information listed on the JOBS Employability Plan or Tribal NEW Service Plan. If the recipient is participating more hours than the minimum requirements for the JOBS/Tribal NEW, the additional hours are allowed.

Diversion Hours Calculation 400-28-80-40

(Revised 4/1/12 ML #3327)

View Archives

Allowable activity hours are based the caretaker's participation in work, education or training, or job search.

Co-pay Families Hours Calculation 400-28-80-45

(Revised 4/1/12 ML #3327)

View Archives

Allowable activity hours are based on the caretaker(s) participation in work, education or training, or job search.

Level of Care 400-28-85

Overview 400-28-85-05

(Revised 10/1/12 ML #3348)

View Archives

The Level of Care is used to determine whether a child needs full-time, part-time, or hourly child care while in a specific provider's care and their caretaker is participating in an allowable activity. If a child attends child care at more than one provider, the child may have different Levels of Care for each provider.

- If the child is not school age, that child's Level of Care is based on the number of hours the child is required to be in a specific provider's care while the caretaker's is participating in their allowable activity.
- If the child is a school age child, that child's school schedule, the caretaker's allowable activity schedule, and the number of hours the child is required to be in a specific provider's care while the caretaker's is participating in their allowable activity is needed to determine their Level of Care.

Determining the Level of Care 400-28-85-10

(Revised 10/1/12 ML #3348)

View Archives

Level of Care must be determined for each provider based on the number of hours the child needs to be in care while the caretaker(s) is participating in an allowable activity. The Level of Care must be determined at:

- application
- 6 month review
- increase in monthly hours
- adding a child to the certificate
- addition of a household member who is participating in an allowable activity
- change or addition of a provider

To determine the Level of Care:

- The caretaker must provide verification of activity hours (pay stubs, employer statement, class schedule, time sheets, etc).
- For a school aged child, the child's school schedule must be verified.

Once this information is determined:

- If the weekly hours calculated for a child average 25 or more per week, the child falls into the full time Level of Care.
- If the weekly hours calculated for a child average from 14 to less than 25 hours per week, the child falls into part-time Level of Care.
- If the weekly hours calculated for a child average less than 14 hours per week, the child falls into hourly Level of Care.

Once a level of care is established for a child:

- The level of care is not decreased for the remaining certificate period regardless if the caretaker has a decrease in hours which would result in the child needing a lower Level of Care from what they were initially approved for on the certificate.
- If the child has an increase in needed hours during the certificate due to increased hours of activity for a caretaker(s), the increase is made if

the Level of Care needed increases for a child, or the child's needs increase from hourly to part-time, hourly to full time, or part-time to full time.

Child Not in School 400-28-85-10-05

(Revised 4/1/14 ML #3401)

View Archives

The child's schedule is the time they need child care based on the caretaker's allowable activity hours and the number of hours the child is required to be in a specific provider's care while the caretaker is participating in their allowable activity. The number of hours the child is required to be in a specific provider's care while the caretaker is participating in their allowable activity will determine the Level of Care from the Provider Rate on the Child Care Sliding Fee Schedule. The Level of Care determination for each provider is entered on the certificate.

Payment of the costs for the hours of child care for a provider exceeding the Level of Care determined for the child will be the responsibility of the family.

School Age Child 400-28-85-10-10

(Revised 4/1/12 ML #3327)

View Archives

A school age child is considered a student year round. If the child is school age, the time they are required to be at child care is based on the child's school schedule and the caretaker's allowable activity hours.

The number of weekly hours that a school aged child is required to be in a specific provider's care is calculated by comparing the child's school schedule with the caretaker's schedule with participating in an allowable activity.

When a school age child is required to be in the care of a child provider for any reason (days off from school, weekends, after school, etc.), the average weekly hours needed must be established. Once the weekly average hours are established, an additional 36 hours per month (9 hours per week) will be added to the child's average weekly hours to allow for days there is no school.

> **Note:** The additional hours are added to the provider with whom the child will be with on days that are considered no school days.

The total weekly hours the child will be in a specific provider's care will determine the Level of Care from the Provider Rate on the Child Care Sliding Fee Schedule. The Level of Care determination is entered on the certificate.

Payment of the costs for the hours of child care for a provider exceeding the Level of Care determination for the child will be the responsibility of the family.

Co-pay Requirements 400-28-90

Overview 400-28-90-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

Federal regulations require each family receiving Child Care Assistance Program (CCAP) benefits to contribute towards the monthly costs of such care.

- The portion that a family is responsible to contribute is called a Co-pay.
- The Co-pay that is applied to child care costs incurred each month is referred to as Family Monthly Co-pay.

The Co-pay requirement is waived for families receiving TANF, Diversion and Crossroads.

Families who are not waived from the Co-pay requirement are subject to a Family Monthly Co-pay when determining their CCAP eligibility. In addition to the Co-pay, the family is responsible for any amount that is charged over the State Maximum Monthly Share amount.

It is the responsibility of the provider to collect the Co-pay from the family. Verification that the Co-pay has been paid is not required.

Determination of Family Monthly Co-pay 400-28-90-10

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-04

For each family subject to Co-pay, the Family Monthly Co-pay must be determined. Family Monthly Co-pay is determined by using the countable income (gross monthly income less child/spousal support expenses) and household size which is then compared to the Child Care Sliding Fee Schedule. The Child Care Sliding Fee Schedule contains a Co-pay column for each income range and household size level.

Applying the Co-pay 400-28-90-15

(Revised 4/1/12 ML #3327)

View Archives

NDAC 75-02-01.3-04

The Family Monthly Co-pay amount is subtracted from the State Rate to determine the State Maximum Monthly Share.

When payment is being determined, the Family Monthly Co-pay is deducted from the lower of the state rate or amount billed on the Child Care Billing Report Form.

When applying the Family Monthly Co-pay to payments:

- The Family Monthly Co-pay is applied to the provider who is first entered into the payment system. If there are two providers, the Family Monthly Co-pay is applied to the first provider entered into the payment system. If any amount of the Family Monthly Co-pay is remaining it will be applied to the second provider, etc.
- If the Family Monthly Co-pay is greater than the lower of the State Rate or amount billed for the family, no child care payment will be made for the month.
- If the Family Monthly Co-pay is less than the lower of the State Rate or amount billed for the family, the Family Monthly Co-pay is deducted from the lower of the State Rate or amount billed and the remaining amount is the maximum payment that will be made.
- When the Family Monthly Co-pay is applied to a child's allowable child care costs and all of the child's costs incurred is subject to co-pay, that child continues to be eligible for CCAP and all other eligibility criteria applies to the child.

The DN 241, Child Care Sliding Fee Schedule is included at Section 400-28-165-25.

Waived Co-pay Families 400-28-90-20

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-04Waived Co-pay Families 400-28-90-20

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-04

The Co-pay requirement for certain families with very low income will be waived and their child care paid up to the State Rate. These include:

- Families receiving services through the Crossroads Program
- Ineligible/SSI children whose caretaker is receiving TANF or Diversion
- Families receiving TANF or Diversion

> **Note:** Payment of child care is subject to Co-pay when the child care is a result of an activity for a TANF caretaker who is:
>
> - In receipt of SSI
> - A Disqualified Alien or
> - An ineligible non-legally responsible caretaker

Families who are not subject to the Co-pay requirements are not subject to the income requirements. These families do not have to provide verification of their income in order for their eligibility to be determined. Since these families are not subject to co-pay or income requirements, child care may be paid up to the maximum State Rate.

The Co-pay requirement for certain families with very low income will be waived and their child care paid up to the State Rate. These include:

- Families receiving services through the Crossroads Program
- Ineligible/SSI children whose caretaker is receiving TANF or Diversion
- Families receiving TANF or Diversion

Note: Payment of child care is subject to Co-pay when the child care is a result of an activity for a TANF caretaker who is:

- In receipt of SSI
- A Disqualified Alien or
- An ineligible non-legally responsible caretaker

Families not subject to the Co-pay requirements are not subject to the income requirements. Child care for the eligible child is paid up to the State Rate. These families do not have to provide verification of their income in order for their eligibility to be determined.

Child Care Sliding Fee Schedule 400-28-95

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The DN 241 Child Care Sliding Fee Schedule was developed to determine cost sharing by a family and Child Care Assistance Program based on income, size of the family, the age of the child, type of provider and Level of Care.

The Child Care Sliding Fee Schedule includes the Level of Care (categories) based on the number of hours needed for care of the child. Child care hours used will fall into one of three Levels of Care (categories) for each child. Each Level of Care (category) has a maximum allowable weekly and monthly cap by provider type and age of child.

State Rates, Payment, and Family Share 400-28-100

State Rate 400_28_100_05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

State Rate is the maximum amount the state allows per child based on the Child Care Sliding Fee Schedule.

The State Rate is determined using the Child Care Sliding Fee Schedule and is based on:

- The age of the child
- The type of provider
- The Level of Care

State Maximum Monthly Share 400-28-100-10

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The State Maximum Monthly Share is the maximum amount the state will pay for child care costs of a child eligible for the Child Care Assistance Program (CCAP) in a specific month. The State Maximum Monthly Share is the State Rate less the Family Monthly Co-pay, if Co-pay applies.

Child Care Assistance Program (CCAP) Payment 400-28-100-15

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-04

The amount paid by the Child Care Assistance Program is the **lesser of** the State Rate or the actual amount billed for that month minus the Family Monthly Co-pay.

Family Share 400-28-100-20

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

The caretaker is responsible to pay their Family Monthly Co-pay (if the caretaker is subject to Co-pay). In addition, the caretaker is responsible to pay any amount that exceeds the State Maximum Monthly Share as well as any other costs deemed as non-allowable under the Child Care Assistance Program.

Third Party Payments 400-28-100-25

(Revised 11/1/2011 ML 3295)

View Archives

When a third party pays a portion of the child care for a family, only the portion the caretaker is responsible for can be considered for payment.

When a third party pays the entire child care for a household, none of the costs can be considered for payment. Since child care cannot pay any of the costs, the household is ineligible for the Child Care Assistance Program. (CCAP).

Regardless of who is making the third party payment, verification of the portion the third party is paying must be obtained.

If the caretaker reports that the third party has not paid or refuses to pay the child care, the caretaker must demonstrate the third party is not paying.

An absent parent cannot receive Child Care Assistance Program benefits to pay their court ordered share of child care if the child is not residing with the absent parent.

Provider Requirements and Information 400-28-105

Overview 400-28-105-05

(Revised 10/1/12 ML #3348)

View Archives

This section provides information regarding the requirements a provider must meet in order to be listed on a Child Care Assistance Program (CCAP) certificate and to receive payment from the CCAP.

To be eligible for CCAP the child care provider must:

- Be 18 years of age or older
- Licensed, self-declaration, an approved relative or registered by a Tribe
- Complete a W-9 and
- Enrolled in the Child Care Assistance Program Provider System at the time a certificate is issued or updated and at the time payment is made.

NOTE: If a North Dakota licensed, self-declaration, approved relative, or Tribal registration moves, it invalidates the current licensed, self-declaration, approved relative, or Tribal registration.

- If an eligibility worker becomes aware that an approved relative provider has moved, the eligibility worker must notify the State CCAP office of the move.
- If an eligibility worker becomes aware that a licensed or self-declaration provider has moved, the eligibility worker must notify the county licensing staff.

Providers who are registered or licensed by a Tribe or licensed by the air force bases may be accepted by the CCAP program. Out of state providers who live in bordering cities are acceptable providers. All of these providers must submit a copy of their current licenses, and a "W-9, Request for Taxpayer Identification Number and Certification" to the State CCAP office. Renewed licenses, registrations, and self-declarations must be submitted yearly by the provider to the State CCAP office along with a current W-9.

Relative providers approved to provide care for specific children are given a provider ID number by the State CCAP office. Their continued enrollment in CCAP is contingent upon being updated annually and their submitting an updated W-9 each year. If the relative provider moves, the approval becomes invalid and the relative provider needs to reapply.

A sibling who lives in a separate residence from the child can be a provider if they comply with all applicable requirements to be a licensed, self-declaration, approved relative or Tribal registration.

In Home Child Care Due to Illness/Disability REPEALED 400-28-105-10

(Repealed 11/1/11 ML #3295)

View Archives

In Home Child Care When Provider and Child Reside in Same Home 400-28-105-15

(Revised 10/1/11 ML #3278)

View Archives

If the provider and the child live in the same home (grandma for example), the care is considered to be provided in the provider's home. The provider may be paid if they are a licensed, self-declaration, approved relative, or registered by a Tribe.

A child's sibling who is age 18 or older, providing child care and residing in the same home can be reimbursed if licensed or self-declaration. A sibling residing in the home is not eligible to be an approved relative and payment cannot be made.

> **NOTE:** If the sibling providing child care lives in a separate residence from the child, payment can be made if the sibling complies with any applicable requirements to be a licensed, self-declaration, approved relative or registered by a Tribe.

Approved Relative 400-28-105-20

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-05

An Approved Relative is a provider, whose relationship to the child by marriage, blood, or court degree, is a:

- Grandparent (including step-grandparents)
- Great-grand parent (including great step-grandparents)
- Aunt or uncle (including step-aunt or uncle)
- Sibling (including step-siblings)

NOTE: Siblings cannot be an 'approved relative' provider if the sibling resides with the child.

The approved relative must qualify to participate as a provider for Child Care Assistance Program. To qualify, the relative must complete the application SFN 23, Application for Approval for Relative Child Care Provider and W-9, Request for Taxpayer Identification Number and Certification forms and return to Public Assistance Division for processing.

To assure health and safety of children, applications are reviewed against known information within ND Department of Human Services before approving a relative provider along with the:

- North Dakota Supreme Court website
- North Dakota State's Attorney's Sex Offender website
- Children and Family Services criminal back ground check

An Approved Relative's request to be a provider will be denied or will be terminated in an ongoing case at the end of the month notification is given by the Department when the applicant and household members have been found guilty of, pled guilty to, or pled no contest to:

1. Homicide, assaults, threats, coercion, harassment, kidnapping, sexual performances by children, gross sexual imposition, continuous sexual abuse of a child, sexual imposition, corruption or solicitation of minors, luring minors by computer or other electronic means, sexual abuse of wards, sexual assault, robbery, burglary, promoting prostitution, facilitating prostitution, child procurement or abuse or neglect of a child;
2. An offense under the laws of another jurisdiction which requires proof of substantially similar elements as required for conviction under any of the offenses identified in #1 above; or
3. An offense, other than an offense identified in #1 and #2 if the department determines that the individual has not been sufficiently rehabilitated. An offender's completion of a period of five years after final discharge or release from any term of probation, parole, or other form of community corrections or imprisonment, without subsequent charge or conviction, is prima facie evidence of sufficient rehabilitation.

The department has determined that the offenses in #1 and # 2 above have a direct bearing on the applicant's ability to serve the public in a capacity as a provider.

In the case of misdemeanor simple assault or equivalent conduct in another jurisdiction which requires proof of substantially similar elements as required for conviction, the department may determine that the individual has been sufficiently rehabilitated if five years have elapsed after final discharge or release from any term of probation, parole, or other form of community corrections or imprisonment, without subsequent conviction.

An approval or denial letter is sent to the applicant relative provider. An applicant may appeal the decision by submitting a signed written request to the agency within 30 days from the date of the notice of the letter. During an appeal process, payments will not be made by the Child Care Assistance Program (CCAP).

Approved relatives are approved to provide care for a specific child(ren) who is identified on their approval letter. CCAP can only make payment for a children(ren) who is identified on the provider's approval letter.

Record Keeping by Approved Relatives 400-28-105-20-05

(Revised 11/1/11 ML #3295)

View Archives

An approved relative provider is required to maintain attendance records for each child receiving child care assistance. To accomplish this, the provider may use sign-in/sign-out records to indicate the child's name, the date, the hour, and the minute when the child enters and leaves the provider's care. The provider shall make the attendance records available to state and county social services upon request. The provider shall manage the attendance records in a manner which protects the identity of families receiving assistance.

Qualified Providers for Certificate and Payment 400-28-105-25

(Revised 10/1/12 ML #3348)

View Archives

At the time a certificate is issued or updated, the provider must be licensed, Air Force Base licensed, under self-declaration, an approved relative provider, or registered by a Tribe, listed as a provider in the Child Care Assistance Program Payment System and have a future expiration date.

If at time of application, the provider is not currently licensed, Air Force Base licensed, under self-declaration, an approved relative provider, or registered by a Tribe, and the provider will not complete that process within the processing time frame for an application and the family is not using any other qualified provider(s), the caretaker must find another provider who is licensed, Air Force Base licensed, under self-declaration, an approved relative provider, or registered by a Tribe, or the application must be denied.

In an ongoing case a closing notice must be sent at the time it is discovered that the only provider or all the providers are no longer licensed, Air Force Base licensed, under self-declaration, an approved relative provider, or registered by a Tribe. The case must be set to close at the end of the month the closing notice is sent.

In an ongoing case where there is more than one provider and one of the provider(s) is no longer licensed, Air Force Base licensed, under self-declaration, an approved relative provider, or registered by a Tribe, the provider must be removed from the certificate effective the month following the month of expiration.

Child care will go back to the first of the month in which the provider's licensed, Air Force base license, under self-declaration, an approved relative provider, registered by a Tribe is effective.

If an applicant applies and requests child care for a prior month and the provider's licensed, Air Force Base license, under self-declaration, an approved relative provider, registered by a Tribe was not effective in that prior month, payment cannot be made to that provider.

If the provider's licensed, Air Force Base license, self-declaration, approved relative provider, registered by a Tribe expiration date is during a month, payment for that month can only be up to the expiration date. Any care provided following expiration date of their status, **cannot** be paid. The case must be closed at the end of the month if there are no other providers or another qualified provider is not obtained by the end of that month.

If the provider is reinstated during the month of expiration, payment can be made for the entire month. If the provider becomes reinstated prior to the end of the month, eligibility for the family can be reinstated if the family is otherwise eligible. If the case closes prior to reinstatement, the caretaker must reapply.

Provider Allowance for Caretaker Access 400-28-105-30

(Revised 11/1/11 ML #3295)

View Archives

Based on Federal law, a provider must allow unlimited caretaker access to the caretaker's children while the child is in the provider's care. Therefore, the caretaker must be allowed access to their children while in the provider's care.

No Discrimination 400-28-105-35

(Revised 10/1/11 ML #3278)

View Archives

The child care provider may not discriminate against children based on race, national origin, ethnic background, sex, religion, or handicap.

Qualified Provider Codes 400-28-105-40

(Revised 10/1/11 ML #3278)

View Archives

The following are the provider codes that identify the provider type to be used for payment and the descriptions of provider types on the payment screen:

AR = Approved relative providers
CT = Center providers
IN = In-home providers
NF = Non-relative in family day care providers
NG = Group care providers
RF = Relative in family day care providers
SC = Self-declaration providers
TR = Tribal Registration providers

When licensing or registering a provider or when a provider is approved as self-declared, Children and Family Services assigned a type to a provider. The following is a listing of the provider types that can be viewed when inquiring on a provider:

C	Child Care Center	K	School Age Child Care
E	Preschool Education Facility	M	Multiple License
F	Family Child Care	P	Public Approvals
G	Group Child Care Home	R	Tribal Registration
H	Group Child Care Home	S	Self-Declaration
I	In Home Child Care	Q	Approved Relative

The following is a listing of the out-of-state and Tribal numbers. These numbers are used in place of the county numbers in the license number.

91	Minnesota	96	Turtle Mountain

92 - South Dakota
93 - Montana
94 - Trenton Indian Service Area
95 - Three Affiliated Tribes
97 - Spirit Lake
98 - Standing Rock Sioux
99 - ND Air Force Bases

Provider's Suspension or Denial of License 400-28-105-45

(Revised 10/1/11 ML #3278)

View Archives

A provider, **not** currently licensed or self-declaration who applies for a license or self-declaration and is denied are not eligible for a Child Care Assistance Program (CCAP) payment. If the provider appeals the denial the CCAP will **not** pay for child care during the period of the appeal as the provider is not licensed or self-declaration. If the provider wins the appeal, CCAP will make back payments as the license or self-declaration will be back dated to the date the county made the decision to deny.

When a child care provider's license or self-declaration is suspended, CCAP will **not** make a payment as the provider is not currently licensed or self-declaration. After a suspension is issued, a revocation may be issued. The revocation can be appealed. A suspension cannot be appealed.

If a provider is issued an 'Intent to Revoke', CCAP can continue to pay the provider until the effective date the license or self-declaration is revoked. If the provider appeals that decision, CCAP can continue to pay the provider during the course of the appeal. If the provider loses the appeal all payments made during the appeal process will be considered overpayments and must be paid back to CCAP by the provider.

W-9 Request for Taxpayer Identification Number and Certification 400-28-105-50

(Revised 4/1/14 ML #3401)

View Archives

The "W-9," Request for Taxpayer Identification Number and Certification" must be submitted by the Provider when the following occurs:

- A provider who is going to provide services to a family who is receiving Child Care Assistance
- Lapse between qualified provider period (such as renewal)
- Change in name
- Change in provider type (family to group, group to center, et cetera)
- Change in address
- Change in either Social Security Number (SSN) or Employee Identification Number (EIN) when either is being used as the Taxpayer Identification (TIN)

The W-9's should be completed and mailed to:

Child Care Assistance Program
ND Department of Human Services – Dept 325
600 E Boulevard Ave
Bismarck, ND 58505-0250

1099 Miscellaneous Tax Form and Internal Revenue Service (IRS) Reports 400-28-105-55

(Revised 10/1/11 ML #3278)

View Archives

Because providers are receiving payments from Child Care Assistance Program, federal law requires that a "1099 Miscellaneous Tax Form" showing total payments paid during the year be sent to the provider. These figures are reported to IRS. To make payment to a provider, a "W-9, Request for Taxpayer Identification Number and Certification" showing his or her name which is used when filing taxes, name of business if applicable, and tax ID number, must be submitted to the State office.

Providers who receive less than $600 per year from the Department of Human Services will not be issued a "1099 Miscellaneous Tax Form." The Department of Human Services will send a letter explaining why the provider is not getting a "1099 Miscellaneous Tax Form" and the amount the provider received during the year.

When checks are returned to be canceled, the payment record for the appropriate provider will be adjusted by the Department of Human Services to reflect the correct amount on the “1099 Miscellaneous Tax Form”.

American Indian Tribes 400-28-110

(Revised 10/1/11 ML #3278)

View Archives

American Indian Tribes administer their own child care program covering their normal service delivery area. American Indian children have the option of receiving services from the tribal program or the one administered by the Department of Human Services. The county social service boards and the tribes must coordinate the programs to prevent duplicate payments. The American Indian household shall have the option of which program they will utilize on a monthly basis. It is not necessary for the two entities to split payment for a calendar month.

Caretaker Choice 400-28-115

Caretaker's Choice to Select a Provider 400-28-115-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-10

The caretaker may choose a provider of services for each child who is licensed, Air Force Base licensed, self-declaration, approved relative, or Tribal registration who receives or is offered child care services for which financial assistance is provided through the Child Care Assistance Program.

> **Note:** The Department of Human Services is not bound by or responsible for either party's compliance with the terms of any contract entered between a provider and a caretaker.

Caretaker and Provider Contract for Services 400-28-115-10

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-10

When a caretaker chooses a child care provider, there is generally a contract outlining what is expected of the family for situations of absences, holidays, vacations, and termination of services.

A contract detailing the conditions related to payment for unscheduled absences, holidays and vacations, as well as termination of services is often entered into between a caretaker and the child care provider chosen. The Child Care Assistance Program (CCAP) is neither a party of nor subject to any contract or any terms therein included.

CCAP will not be paid while the provider is absent for any reason (e.g. medical, holiday, vacation, etc.).

CCAP will not be paid while the caretaker(s) is absent from participating in their allowable activity for any reason (e.g. medical, temporary illness, holiday, vacation, etc.).

- Exceptions:
  - If the absence meets the criteria in Section 400-28-80-25, Absent Days for Illness section of this manual
  - If the hours for a college student meets the criteria is Section 400-28-80-10, Calculating Allowable Child Care Hours.

A contract may require that a notice of termination be given and the provider may request payment for that period of time. CCAP will not reimburse costs incurred because of a termination agreement except for the time the caretaker was participating in an allowable activity and the

child was present and was provided care other than the exception addressed in 400-28-80-25, Absent Days for days for Illness, and 400-28-80-10, Calculating Allowable Child Care Hours.

Providers must **NOT** charge CCAP caretakers more than they are charging their lowest charged private pay families.

Caretaker Access REPEALED 400-28-115-15

(Repealed 10/1/11 ML #3278)

View Archives

Child Care Assistance Program Certificate 400-28-120

Overview 400-28-120-05

(Revised 4/1/12 ML #3327)

View Archives

NDAC 75-02-01.3-06

Federal Regulations require states to issue a 'Certificate' to the eligible family and to each provider the family has chosen which informs them of the eligibility period, children who have been approved, Level of Care for each child, State Rate for each child, and the Family's Monthly Co-pay. The family's certificate includes information for all children and provider(s) that apply to the family.

The provider's certificate includes information for each child that apply to the provider.

Certificate Requirements 400-28-120-10

(Revised 4/1/12 ML #3327)

View Archives

NDAC 75-02-01.3-06

A certificate is issued by the Department of Human Services to the caretaker who is eligible and to each provider the caretaker has chosen. The certificate contains:

- The name and address of the caretaker
- The names of children who will be receiving Child Care Assistance Program benefits
- The name of each provider(s) for each child
- The Level of Care
- The Family's Monthly Co-pay
- The State Rate
- The caretaker's allowable activities (work, job search, education, training)

  Note: The names of specific assistance programs are not to be entered or shown on the certificate. For TANF recipients, list "Job Activities" for the allowable activities.

- The period covered by the certificate
- The caretaker's right to appeal

Each provider the family has chosen will receive a certificate that includes the information for the child(ren) for whom they are providing care.

Certificate Time Frames 400-28-120-15

(Revised 4/1/12 ML #3327)

View Archives

NDAC 75-02-01.3-06

Certificates are issued for a six month period of time with the following exceptions:

- Month prior to the month of application (one month certificate); and
- The 2 final months of TANF when the child care expenses were used as a deduction from income for TANF (one month certificate for each month child care is requested).

Certificate Start Dates 400-28-120-20

(Revised 4/1/12 ML #3327)

View Archives

NDAC 75-02-01.3-06

Certificates for applications begin the first day of the month for which the application is approved.

Certificates for reviews begin the first day of the month following the expiration of the existing certificate.

The start date of an updated certificate is the first day of the month the certificate is determined to be effective based on reported changes that are mandatory, non-mandatory, or known information to the agency and whether the change was or was not reported timely.

> **Note:** a certificate start date is always the first date of the month the certificate is effective. Payment within that month is determined based on eligibility criteria.
>
> **Example #1:** It is reported timely and verified timely that a child entered the home on June 14th. The change is implemented and the certificate is updated for June and the effective date of the updated June certificate June 1st. Because this is a new member of the Child Care Assistance Unit, child care can be paid from the 14th to end of the month as child care can only be paid for when the child was living with this caretaker.
>
> **Example#2:** It is reported and verified timely that an ongoing household member switched from education to employment in February. The change is implemented and the certificate is updated for February, the effective date of the updated February certificate is February 1st. The entire month of February can be paid for the allowable activity(ies) listed on the certificate.

Example#3: A caretaker starts employment on December 9th. The caretaker reports the change in activity to the county on December 27th and provides verification of the employment on December 29th. The change is not reported timely but since the information to act on the change was provided in December, the change is implemented and the certificate is updated for December. The effective date of the updated December certificate is December 1st. The entire month of December can be paid for the allowable activity(ies) listed on the certificate.

Certificate End Dates 400-28-120-25

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-06

A certificate expires at the end of the certification period or at the end of the month the case closes, whichever is earlier. When a certificate is updated, the end date is not changed.

Issuing a Certificate 400-28-120-30

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-06

The following information is required to issue a certificate:

- Household composition
- Household income
- Child/spousal support paid out
- The child care provider(s) for each child requesting assistance
- The provider(s)'s license number
- Provider type
- Level of Care required
- Caretaker(s) allowable activity/schedule
- Child(ren)'s schedule (school age)

Upon receipt of this information, the Excel spreadsheet may be used to determine the Co-pay and State Rate. When the Excel spreadsheet is used, a copy must be included in the case file.

The issuance of a certificate does not require submittal of a Child Care Billing Report form.

A certificate is issued:

- At application
- At 6 month review
- When a certificate must be updated

When a certificate is issued, the caretaker is sent a copy of the certificate and the provider(s) is sent a copy of the certificate with the information that applies to the child(ren) for whom the provider(s) has been approved to provide care.

Updating Certificates 400-28-120-35

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-06

When a certificate is issued, the certificate is not changed unless an eligibility criteria to change a certificate is met.

Eligibility criteria to make a change to a certificate are the results of a change (mandatory, non-mandatory and known information to the agency) which affects the eligibility information contained on the certificate.

A certificate must be updated for the following reasons; however, there may be additional reasons not included that may require the certificate to be updated:

- When there is a change in household size which affects the Child Care Assistance unit household size.
  - Someone moves into the household
  - Someone moves out of the household
- Change in allowable activity
  - Start or end of job search
  - Start of work activity (not previously in any work activity)
  - End of work activity (no longer in any work activity)
  - Start or end of school which includes
    - A postsecondary student completes an associate degree, postsecondary diploma, certificate of completion or any other vocational training course or if the caretaker(s) changes to another course of study.
  - Start or end of TANF, Diversion or Crossroads

- Increase in monthly child care hours for a child if the increase in hours increased the Level of Care the child needs.

  Note: Decreases in the Level of Care are not made during the certificate period.

- Changes in provider(s) or addition of provider(s)
- When a provider is no longer being used by the family or the provider is no longer a qualified provider.
- When a child is no longer eligible for the Child Care Assistance Program including but not limited to:
  - turns age 13
  - if age 13 and under 19 and verified care no longer exists
  - enters Foster Care
  - no longer needs care
- State residency

- When a case changes from Waived Co-pay to Co-pay, the certificate must be updated for the month following the month the TANF, Diversion or Crossroads case closes.

- When a case changes from Co-pay to Waived Co-pay, the certificate must be updated effective the month the case is approved for TANF, Diversion or Crossroads.

- When an Intentional Program Violation disqualification penalty is imposed the certificate must be closed effective the month the individual is disqualified.

  - **Exception:** Individuals who apply for or are receiving assistance through a federal or state funded program and require child care in order to participate in that federal or state funded program are eligible to receive child care through CCAP in a month they are subject to an IPV disqualification. Individuals that apply for or are receiving TANF, Transition, Diversion, or Crossroads are eligible to receive child care during an IPV disqualification period providing all other factors of eligibility are met.

If a certificate must be closed, the caretaker is sent a copy of the updated certificate and the provider(s) is sent a copy of the certificate with the

information that applies to the child(ren) for whom the provider(s) has been approved to provide care.

If a certificate is updated and there are multiple providers for the family, an updated certificate is only sent to the provider whose certificate has been updated. A certificate is not mailed to a provider if there is no change to their certificate.

Mandatory, Non-Mandatory, and Known Information Changes 400-28-125

Mandatory Changes 400-28-125-05

(Revised 8/1/13 ML #3374)

View Archives

Mandatory changes must be reported to the county social service office within 10 days from the date the event occurs. The first calendar day following the date the event occurs is day 1 of the 10 day reporting timeframe. Mandatory reportable changes are:

- Change in household size
  - Someone moves into the household
  - Someone moves out of the household
- Change in allowable activity
  - Start or end of job search
  - Start of work activity (not previously in any work activity)
  - End of work activity (no longer in any work activity)
  - Start or end of school which includes
    - A postsecondary student completes a bachelor's degree, associate degree, postsecondary diploma, certificate of completion or any other vocational training course or if the caretaker(s) changes to another course of study.
  - Start or end of TANF, Diversion or Crossroads
- Increase in monthly child care hours for a child
- Changes in provider(s) or addition of provider(s)
- State residency
- When the household's monthly gross income less the monthly amount the household pays for court ordered child support or spousal support exceeds the highest income level for its household size

  - To determine gross income, the CCAP household must total its household's gross monthly income. If new individuals are present in the home, their income and allowable expenses must be included. If individuals have left the home, their income and allowable expenses are not included.

Actions required to be taken following the report of a mandatory change may include:

- Requesting additional information from the caretaker
- Updating information in the case file
- Updating information in the Child Care Assistance Program system
- Updating the certificate(s), if required
- Closing the case if the case must be closed
- Document actions taken

If the mandatory changes results in no changes in eligibility and/or the certificate(s), the case file must be documented to reflect the change reported and the reason no action was taken.

Non-Mandatory Changes 400-28-125-10

(Revised 10/1/11 ML #3278)

View Archives

Non-mandatory changes that may be reported to the county social service office include but are not limited to:

- Change of resident address or mailing address of caretaker
- Name changes for any household member

Actions required to be taken following the report of a non-mandatory change may include:

- Requesting additional information from the caretaker
- Updating information in the case file
- Updating information in the Child Care Assistance Program system
- Updating the certificate(s), if required
- Document in case file actions taken

If the non-mandatory changes results in no changes in eligibility and/or the certificate(s), the case file must be documented to reflect the change reported and the reason no action was taken.

Known Information to Agency 400-28-125-15

(Revised 10/1/12 ML #3348)

View Archives

Known information to the agency is information that the eligibility worker receives from other programs or outside sources instead of from the caretaker.

> **Note:** An IEVS (Income Eligibility Verification System) hit is not considered known information. The verifications submitted resulting from the IEVS match is deemed known information.

Known information can be information reported by the caretaker verbally, in writing, or listed on forms for other programs.

Actions required to be taken following the receipt of 'known information' may include:

- Requesting additional information from the caretaker
- Updating information in the case file
- Updating information in the CCAP system
- Updating the certificate(s) if the certificate(s) must be updated
- Closing the case if the case must be closed
- Document in case file actions taken

The eligibility worker must document the date they became aware of the 'known information'.

When known information is discovered, the eligibility worker must determine if a change in eligibility is required based on the policy that applies to that information.

Known information is acted upon for the month in which the information is discovered and is acted upon for the month following the month in which the information is discovered. Known information does not need to be acted upon for any future month beyond the month following the month of discovery.

If the known information results in a change in eligibility for a past month(s):

- If the change results in an overpayment, overpayments are established for the month(s) affected.
- If the change results in an underpayment, underpayments are not established for the month(s) affected.

If the known information results in no changes in eligibility and/or the certificate(s) per policy, the case file must be documented to reflect the change reported and the reason no action was taken.

Reporting Changes 400-28-125-20

(Revised 10/1/11 ML #3278)

View Archives

Changes may be reported in writing, in person, by telephone, by fax or electronically. An SFN 670, Child Care Assistance Program Change Report may be used to report changes.

If a change is reported after business hours on a weekend or a holiday, the change will be considered received on the next business day. This applies to changes that are received by **any means** such as telephone, fax, mail or electronically.

Changes Reported That Required Additional Information 400-28-125-25

(Revised 10/1/12 ML #3348)

View Archives

When a mandatory change is reported (whether timely or not) and additional information is needed, the eligibility worker must send a 'Closure' notice. This notice must include:

- The specific information and verifications that are needed;
- The information and verifications must be provided within 10 days; and
- Failure to provide information and needed verifications within 10 days will result in case closure at the end of the month in which the 10-day period ends, even if the 10th day extends into a future month.

If the required verifications are provided within 10 days from the date of the notice **OR** if the required verifications are not provided within 10 days but prior to the case closing, the change must be processed based on Section 400-28-125-30, Required Action on Mandatory Changes.

If a case has closed for failure to provide additional information and the caretaker provides the required information in the month following the month of case closure, the case remains closed. The caretaker must reapply.

Required Action on Mandatory Changes 400-28-125-30

(Revised 8/1/13 ML #3374)

View Archives

For policy regarding the impact of a change when an individual who enters or leaves the child care assistance unit, refer to Section 400-28-35-05 Child Care Assistance Unit.

When a change is reported, the eligibility worker must determine if a change in eligibility is needed:

- If the mandatory changes results in no changes in eligibility and/or the certificate(s), the case file must be documented to reflect the change reported and the reason no action was taken.
- If the certificate needs to be updated as a result of the mandatory change, the start date of the updated certificate is based on the effective date of the change which affects the month the change needs to be implemented and thus determines the start date.
    - If the payments made since the change occurred were correct payments:
        - If correct payments were made, document the information regarding the change and the change resulted in no change;
        - If incorrect payments were made, determine the amount of the correct payment and create overpayments if one exists.

            Note: In certain situations, an underpayment may occur.
- If payments were not yet made, how the change will affect future payments not yet processed.

1. If a change is timely reported and verified timely
    - If the change **benefits** the caretaker:
        - The change is implemented the month the change occurred.
        - The certificate must be updated the month the change occurred.

- Payments not yet made for the month the change occurred through the months when the certificate was actually updated will need to be reviewed to see if any payment can or cannot be made.
- If a payment has been made for the month the change occurred, since the change was reported timely, an underpayment may need to be issued.

Example #1: A change occurred that benefited the household on August 25th and was reported and timely verified on September 3rd. August benefits were paid on September 1. The change is implemented and the certificate must be updated for August. September's payment will be made based on the updated certificate. Since the change was reported and verified timely, August benefits need to be re-determined and an underpayment issued.

Example #2: A change occurred that benefited the household on August 25th and was reported and timely verified on September 3rd. August benefits have not yet been paid. The change is implemented and the certificate must be updated for August. August and September payments will be made based on the updated certificate, since the change was reported and verified timely.

- If the change **does not benefit** or has a negative impact to the child care assistance unit:

  - The change is implemented the month following the month the change occurred.
  - The certificate must be updated the month following the month the change occurred.
  - Payments made for the month following the month the change occurred will be made based on the new certificate.

  Example: A change occurred that does not benefit the household on August 25th and was reported on September 3rd. The change is implemented and the certificate must be updated for September. August payments will be made based on the old certificate. Payments beginning September will be made based

on the updated certificate, since the change was reported and verified timely.

- If the change causes ineligibility the case must be closed at the end of the month the closing notice is sent.

2. If a change was reported timely but **NOT** verified timely:

- If the change **benefits** the child care assistance unit,
  - The change is implemented the month the change was verified.
  - The certificate must be updated the month the change was verified.
  - Payments made for the month the change was verified will need to be made based on the new certificate.
  - Since the change benefits the Child Care Assistance unit, any underpayments that may have resulted for the month the change occurred through the month the certificate was updated are not issued since the change was not reported timely.

Example #1: A change occurred that benefited the household on August 25th and was reported on September 3rd. The eligibility worker sent a closing notice to the caretaker on September 6th. The caretaker did not provide verification of the change until September 23rd. The change is implemented and the certificate must be updated for September. September's payment will be made based on the updated certificate. Since the change was reported timely but not verified timely, the caretaker is not eligible for additional benefits for August.

Example #2: A change occurred that benefited the household on September 1st and was reported on September 9th. The eligibility worker sent a closing notice to the caretaker on September 12th. The caretaker did not provide the verification of the change until September 28th. The change is implemented and the certificate must be updated for September. September payments will be made based on the updated certificate.

Example #3: A change occurred that benefits the household on March 3 and is reported on March 6 (reported timely). Additional information is needed and the eligibility worker sends a closing notice requesting additional information on March 7. On March 25 the caretaker provides the requested information (information requested is not verified timely). Since the change was not verified timely, the change is implemented the month the change was verified, March. The certificate must be updated the month the change was verified, March. Payments made for March will need to be made based on the new certificate.

- If the change **does not benefit** or has a negative impact to the child care assistance unit and the case remains eligible:
    - The change is implemented the month the change occurred.
    - The certificate must be updated the month the change occurred.
    - Any payments made for the month the change occurred will need to be made based on the new certificate.
    - Any payments made based on the old certificate for months prior to the certificate being updated are subject to overpayments.

Example #1: A change occurred that does not benefit the household on August 25th and was reported on September 3rd. On September 3rd, the eligibility worker sends a closing notice to the caretaker requesting additional information. The requested information was not verified until September 15th. The change is implemented and the certificate must be updated for August. Since the change was not verified timely, August benefits need to be re-determined and an overpayment established. Payments issued beginning September will be based on the updated certificate.

Example #2: A change occurred that does not benefit the household on November 2 and is reported on November 10 (reported timely). Additional information is needed and the eligibility worker sends a closing notice requesting additional information on November 12. On November 26 the caretaker provides the requested information (information requested is not

timely verified). Since the change was not verified timely, the change is implemented the month the change occurred, November. The certificate must be updated the month the change occurred, November. Payments made for November will need to be made based on the new certificate.

- If the change causes ineligibility a closing notice must be sent to close the case at the end of the month the closing notice is sent.

3. If a change was **NOT** reported timely:

   - If the change **benefits** the child care assistance unit:

     - The change is implemented the month the change was verified.
     - The certificate must be updated the month the change was verified.
     - Payments made for the month the change was verified will need to be made based on the new certificate.
     - Since the change benefits the child care assistance unit, any underpayments that may have resulted for the month the change occurred to the date the certificate was updated are not issued since the change was not reported timely.

     Example #1: A change occurred that benefited the household on June 7th and was reported and verification of the change was provided on September 3rd. The change is implemented and the certificate must be updated for September. September's payment will be made based on the updated certificate. Since the change was not reported timely, the caretaker is not eligible for additional benefits for June through August.

     Example #2: A change occurred that benefited the household on June 7th and was reported on September 23th. The eligibility worker sent a closing notice to the caretaker on September 25th. The caretaker did not provide the verification until October 2nd. The change is implemented and the certificate must be updated for October. October payments will be made based on the updated certificate. Since the change was not reported timely, the caretaker is not eligible for additional benefits for June through September.

Example #3: A change occurred that benefited the household on May 1 is reported on May 15 (not reported timely). The eligibility worker sends a closing notice requesting additional information on May 16. On May 23 the caretaker provides the requested information (information requested is verified timely). Since the change was not timely reported, the change is implemented the month the change was verified, May. The certificate must be updated the month the change was verified, May. Payments made for May will need to be made based on the new certificate.

- If the change **does not benefit** or has a negative impact to the child care assistance unit and the case remains eligible:
  - The change is implemented the month the change occurred.
  - The certificate must be updated the month the change occurred.
  - Any payments made for the month the change occurred will need to be made based on the new certificate.
  - Any payments made based on the old certificate for months prior to the certificate being updated are subject to overpayments.

Example #1: A change occurred that does not benefit the household on June 7th and was reported and verification of the change was received on September 3rd. The change is implemented and the certificate must be updated for June. Since the change was not reported and verified timely, June through August benefits need to be re-determined and overpayments established. Payments issued beginning September will be based on the updated certificate.

Example #2: A change occurred that does not benefit the household on January 7 and is reported and verified on January 22 (not timely reported). Since the change was not timely reported, the change is implemented the month the change occurred, January. The certificate must be updated the month the change occurred, January. Any payments made for the month the change occurred will need to be made based on the new certificate.

- If the change causes ineligibility a closing notice must be sent to close the case at the end of the month the closing notice is sent.

Changes Considered Not Timely Reported and Timely Verified REPEALED 400-28-125-35

(Repealed 11/1/11 ML #3295)

View Archives

Verification Not Received Timely but Received Prior to Case Closure REPEALED 400-28-125-40

(Repealed 11/1/11 ML #3295)

View Archives

Impact on Eligibility Resulting From Changes REPEALED 400-28-125-45

(Repealed 11/1/11 ML #3295)

View Archives

Ineligibility Resulting From Changes 400-28-125-50

(Revised 10/1/11 ML #3278)

View Archives

If a change causes ineligibility, the case will close at the end of the month the closing notice is sent.

Change of Address for Caretaker 400-28-127

Moving Within the County 400-28-127-05

(Revised 4/1/14 ML #3401)

View Archives

When the caretaker moves and the change of address is within the same county, the eligibility worker must update the address in the Child Care Assistance Program system. The current certificate will remain in effect if no mandatory changes were reported that need to be acted on.

Moving to Another County 400-28-127-10

(Revised 4/1/14 ML #3401)

View Archives

When the caretaker has moved to another county, the case file will be transferred to the new county and the current certificate will remain in effect if no mandatory changes were reported that need to be acted on.

The caretaker may report to either the receiving or the sending county that they are moving or have moved. The county to whom the caretaker reported the move is responsible to inform the family what is needed to allow assistance to continue based on the family's circumstances.

When transferring the case to the new county, the eligibility worker must change the caretaker's address and the fields "Worker ID" and "County" on the Change Master to reflect the information of the receiving county. Transfering the case file to the new county will include use of the SFN 700, "Case Transfer Log" (in 448 manual).

Consistent with Service Chapter 448, the eligibility worker from the sending county is responsible to complete any unresolved actions in the individual's case prior to transferring the file to the receiving county.

Verification of Child Care Costs 400-28-130

Child Care Billing Report 400-28-130-05

(Revised 8/1/13 ML #3374)

View Archives

NDAC 75-02-01.3-06

Child care costs incurred for a calendar month must be verified by using and completing the SFN 616, Child Care Billing Report form for child care costs incurred in a calendar month. It is the responsibility of the child care provider and the caretaker to complete the Child Care Billing Report form each month.

- The child care provider must list the **ACTUAL** number of hours the child was in their care.
- The caretaker must list the **ACTUAL** number of hours the child needed care while the caretaker participated in their approved allowable activity (including travel time).

Both the caretaker and the provider are required to sign and date the billing report form AFTER the form has been completed.

It is the caretaker's responsibility to make sure the form is complete, to review the form for errors and for providing all the information needed in order for the payment to be made. If the form is not complete, the form should be returned to the caretaker for completion.

The caretaker may choose to let the provider submit the billing report form to the county social service office, however, it is the caretaker's responsibility to make sure a completed billing report form is submitted to the county social service office.

If a provider or a caretaker is not available to complete, or date the Child Care Billing report form, the eligibility worker will be expected to explore all avenues of locating the person who needs to complete, sign, or date the form. If it reasonable that the information needED to be completed can be

established by the other party or a third party will attest to its accuracy, payment can be made without one parties completion, signature or date. If it is reasonable that the billing report form is complete and accurate and the person who need to sign or date the Child Care Billing Report form cannot be located or a third party will attest to its accuracy, payment can be made without the signature or date. All actions taken must be documented.

If a provider or caretaker refuses to complete, sign, or date, their portion of the Child Care Billing Report form, sign and date the Child Care Billing Report form or the provider or caretaker refuses to sign and date the Child Care Billing Report form and the other party can provide reasonable proof their information listed on the Child Care Billing Report form is accurate or a third party will attest to its accuracy, payment can be made without their completion, signature, or date. All actions taken must be documented.

Time Frame for Submitting SFN 616 'Child Care Billing Report' Forms 400-28-130-10

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-06

Billing report forms must be submitted during the 6 month period following the month child care services were provided. If the billing report form is received after the 6 month period, the payment cannot be made.

> **Example:** If child care is incurred for the service month of May, the last day the form can be submitted is up to the close of the last business day in November, to be considered as received within the 6 month time frame.

If a form is received after the 6 month time period, the family must be notified that payment cannot be made because the billing report form was received after the 6 month time limit. The family must be notified in writing the payment cannot be made.

Extra Provider Charges 400-28-130-15

Meal/Snack 400-28-130-15-05

(Revised 10/1/11 ML #3278)

View Archives

A provider may charge extra for meals/snacks. Charges for meals/snacks are considered allowable if the costs are included as part of the monthly, weekly, hourly rate, etc. However, Child Care Assistance Program disallows these as valid costs if they are identified separate from the rate charged.

Transportation 400-28-130-15-10

(Revised 10/1/11 ML #3278)

View Archives

A provider may charge extra for transporting children. Charges for transportation are considered allowable if the costs are included as part of the monthly, weekly, hourly rate, etc. However, Child Care Assistance Program disallows those as valid costs if they are identified separate from the rate charged.

Deposits/Activity Fee/Registration Fee 400-28-130-15-15

(Revised 10/1/11 ML #3278)

View Archives

The Child Care Assistance Program will not reimburse any costs related to Deposits or Activity / Registration fees.

Payment Issuance 400-28-135

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-06

Benefits are paid the month following the month the child care expenses were incurred.

Basis for Allowable Child Care Rate of Payments 400-28-135-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-04

Federal regulations require states to establish payment rates. The allowable amount of child care is based on:

- Type of provider
- Household income
- Household size
- Level of Care
- Child's Age
  - Infant care - birth through the month of their second birthday
  - Toddler – 2 and 3 years through the month of their fourth birthday
  - Preschool – 4 and 5 years through the month of their sixth birthday
  - School Age - 6 to 13 years through the month of their thirteenth birthday
  - Youth ages 13 – 19 years of age who are special needs children or courted order child care

Computing the Bill 400-28-135-10

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-06

When a child care billing report form is received, the billing report form must be reviewed to make sure it is complete (signed, dated and completely filled out). If the billing report form is not complete, the billing report form should be returned to the caretaker for completion.

Child Care costs must be submitted on the SFN 616, Child Care Billing Report Form for the actual calendar month the child care costs were incurred. From the total monthly hours listed on the Child Care Billing Form, the average weekly hours must be determined.

Allowable hours must be determined. Allowable hours are actual hours the child(ren) needs child care while the caretaker(s) is participating in their allowable activity. Allowable hours are the period of time the child is at the child care provider's to allow the caretaker(s) the time it takes for the caretaker(s) to travel from the child care provider's to their place of activity, participate in their activity (which includes any unpaid for lunch or break time which is part of their activity) and when completed with their activity, travel back to the provider's.

When a caretaker uses multiple providers, the time that it takes the caretaker to get from the first provider's to the second provider's is allowable time for the first child and the time it takes the caretaker to get from the second provider's back to the first provider's is allowable time for the first child.

When a caretaker who is available to provide care returns to the home during the month, child care during the month of return can only be paid to the date the caretaker entered the home.

When a caretaker who is available to provide care leaves the home during the month, child care during the month the caretaker left can be only be paid from the date the caretaker left the home.

A child whom enters the home during a month who needs and is eligible for the Child Care Assistance Program (CCAP) will have their child care costs paid from the date they entered the home.

A child whom left the home during a month who needs and is eligible for CCAP, will have their child care costs paid to the date they left the home.

If a provider charges for the period of time that a college student (caretaker) is on break of less than a full calendar month between college terms, the caretaker may have their child care paid at the same level of care during the semester break regardless if the child is in attendance or is not in attendance at child care.

If the provider lists hours and the family does not list hours for a specific day, no hours are used as the family is indicating they were not in their allowable activity.

If the provider lists no hours and the parent lists hours for a specific day, no hours are used as the provider is indicating they did not provide care.

The lower of the provider or parent hours is used after the form has been reviewed for accuracy.

Once the allowable hours have been established, the average weekly hours must be determined. To determine the average weekly hours, the number of weeks child care is needed must be determined. A week is defined as Sunday through Saturday, and the maximum number of weeks that can be used to determine the average weekly hours is 4. If a child needs care for 1 day in a week, the week counts as 1 towards the 4 week maximum provided the day of care is in the calendar month that is being billed. If the child does not need care for at least 1 day in a week, the week is not counted.

Example #1:

A child incurred child care costs while mom is employed as indicated in the calendar below. Since the child incurred costs at least 1 day of each week in August, the child is considered in care for 5 weeks. However, the maximum weeks within a calendar month that can be allowed is 4.

August			1 6 hrs	2	3
5	6	7	8 6 hrs	9	10
12	13	14	15 6 hrs	16	17
19	20	21	22 6 hrs	23	24
26	27	28	29 6 hrs	30	31

Total child care hours incurred in the calendar month of August is 30 hours. To determine the average weekly hours, divide 30 hours (6 hours per day times 5 days) by 4 weeks, which equals 7.5 average weekly hours.

Example #2:

A child incurred child care costs while mom is job searching, as indicated in the calendar below. Since the child incurred costs at least 1 day in 2 of the weeks in August, the child is considered in care for 2 weeks.

August			1	2 8 hrs	3

5	6	7	8	9	10
12	13	14	15	16	17
19	20	21	22	23 12 hrs	24
26	27	28	29	30	31

Total child care hours incurred in the calendar month of August is 20 hours. To determine the average weekly hours, divide 20 hours (8 hours from the 2nd and 12 hours from the 23rd) by 2 weeks, which equals 10 average weekly hours.

Example #3:

A child incurred child care costs with 2 different provides in a calendar month, while mom was employed, as indicated in the calendars below. The average weekly hours must be determined for each Provider.

Provider #1

Since the child incurred costs at Provider #1 at least 1 day of each week in August, the child is considered in care for 5 weeks. However, the maximum weeks within a calendar month that can be allowed is 4.

August			1	2 8 hrs	3
5	6	7 8 hrs	8 8 hrs	9 8 hrs	10

12	13	14 8 hrs	15 8 hrs	16 8 hrs	17
19	20	21 8 hrs	22 8 hrs	23 8 hrs	24
26	27	28 8 hrs	29 8 hrs	30 8 hrs	31

Total child care hours incurred in the calendar month of August for Provider #1 is 104 hours. To determine the average weekly hours, divide 104 hours (8 hours times 13 days) by 4 weeks, which equals 26 average weekly hours.

Provider #2

Since the child incurred costs at Provider #2 at least 1 day in 3 weeks in August, the child is considered in care for 3 weeks.

August			1	2	3 8
5	6 8 hrs	7	8	9	10 8
12	13 8 hrs	14	15	16	17
19	20	21	22	23	24
26	27	28	29	30	31

Total child care hours incurred in the calendar month of August for Provider #2 is 32 hours. To determine the average weekly hours, divide 32 hours (8

hours times 4 days) by 3 weeks, which equals 10.66 average weekly hours.

If the average weekly hours of child care provided on the billing form are not within a reasonable amount of the caretaker's average weekly activity hours that were determined at the time the certificate was issued, the eligibility worker must contact the caretaker to resolve the difference. This applies even if the State Rate is the same regardless of the difference in hours.

The family is responsible for the costs of child care to the provider that the Level of Care determination on the certificate for the payment month.

Child Care Billing Report Form and Certificate Match 400-28-135-10-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-06

When the Level of Care determined from the Child Care Billing Report form matches the Level of Care on the certificate, the child care costs can be processed.

Compare the billed amount to the State Rate on the certificate to determine the lower amount. Take the lowest amount and subtract the Family Monthly Co-pay to determine the amount to be paid by the Child Care Assistance Program (CCAP).

Child Care Billing Report Form and Certificate Does Not Match 400-28-135-10-10

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-06

Payment is made based on the Level of Care listed on the certificate and the actual hours listed on the Child Care Billing Report.

- When the hours on the Child Care Billing Report form are higher than the Level of Care on the certificate, payment is made based on the Level of Care on the certificate. If the Level of Care on the certificate is hourly (HR) and the Child Care Billing Report form reflects either full time (FT) or part-time (PT) hours, payment is paid at hourly (HR). If the Level of Care on the certificate is part-time and the Child Care Billing Report form reflects full time (FT), payment is paid at part-time (PT).

- When the hours on the Child Care Billing Report form are lower than the Level of Care on the certificate, the actual hours on the Child Care Billing Report form are used for payment. If the Level of Care on a certificate is full time (FT) and the Child Care Billing Report form reflects part-time (PT) or hourly (HR), payment is paid at part-time (PT) or hourly (HR).

  Note: When this occurs, the worker will follow the policy and procedures in Section 400-28-125-15, Known Information To Agency.

Compare the billed amount to the State Rate on the certificate to determine the lower amount. Take the lowest amount and subtract the Family Monthly Co-pay to determine the amount to be paid by the Child Care Assistance Program (CCAP).

If the child's hours in care do not reflect the hours needed for the caretaker’s allowable activities, the eligibility worker must determine actual hours of needed care for the child and enter the number of actual hours into the CCAP payment system. The system will process the payment based on the lower of the hours on the certificate or the actual hours entered.

The number of hours entered into the system may be adjusted but the amount billed may not be changed. The CCAP system will compute the correct amount to be paid to the provider.

Payment to the Provider 400-28-135-15

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-06

Unless the provider requests the payment to be issued to the family, all Child Care Assistance Program payments are to be issued to the provider.

If the provider chooses to have the payment go to the caretaker, the provider must complete in its entirety, sign and date a SFN 848, Provider's Request to Pay Parent Directly form. The form must be submitted to the county social service office and must be filed in the caretaker's file. The provider must still complete a 'W-9, Request for Taxpayer Identification Number and Certification'.

The SFN 848 remains in effect until a written statement revoking the SFN 848 is received from the provider or when a caretaker's case closes. If the caretaker reapplies and is eligible using the same provider as before, a new SFN 848 is required from the provider even if a previous SFN 848 is on file for that provider.

Payments are processed daily with the exception of the end of the State Fiscal Year. At the end of the State Fiscal Year, there is usually a 3 day period when payments are not processed.

Payments are issued through an electronic payment card (debit card), direct deposit, or by check in specific cases.

> **Note:** Checks are mailed two working days after the process date. With exception of weekends and holidays, normal delivery **should** be within five business days after the processing date.

The following day care providers receive payments by electronic payment card:

- AR - Approved Relatives (Q)

- IN - In-Home care (I)
- NF - Non-relative in Family Day Care (F, I)
- RF - Relative in Family Day Care (F, I)
- SC – Self-Declaration (S)
- TR - Tribal Registration (R)

The following day care providers will receive payments by direct deposit:

- CT - Centers (C,E,K,M)
- NG - Group Care (G,H)

The following will receive payment by check:

- Payments made to the family instead of provider. The eligibility worker selects this option when entering payments into the Child Care Assistance Program payment system.
- Garnishment of child care payments due to child support obligation of a provider. Child care payments to individuals with a child support obligation are intercepted by Fiscal Administration, Department of Human Services. Fiscal Administration deducts the required amount and issues the remaining amount to the child care provider. Because of this process, these payments will continue to be issued by check.

Payments of Less Than $10 400-28-135-20

(Revised 4/1/12 ML #3327)

View Archives

In order for the Co-pay to be applied correctly in the CCAP payment system, all payments must be processed even if the amount of the payment is less than $10.00. This applies to all cases including cases that are Waived Co-pay.

> **Example:** A billed amount is $33.00, the Family Monthly Co-pay is $25.00, the payment must be processed and issued in order for the co-pay to be applied correctly. $25.00 will be applied to Co-pay and an $8.00 payment will be made by the Child Care Assistance Program.

Lost Checks 400-28-135-25

(Revised 10/1/11 ML #3278)

View Archives

If a provider/caretaker reports that a check has not been received, the eligibility worker should verify when the payment was processed.

If it has been over seven working days since the check has been processed, contact the State Child Care Assistance office with the following information: Social Security number and name of caretaker; Social Security number/Employer Identification Number (EIN) and name of provider; the processed date, and the amount of the payment. State Child Care Assistance office staff will check to see if other payments were processed on the same day for the same provider. The State Child Care Assistance office staff will request the check number from the State Finance office. The check system will be used to determine if the check has been cashed or is outstanding.

If the stop payment process is necessary, it will be initiated by the State Child Care Assistance office. The stop payment affidavit is sent to the county eligibility worker to secure the necessary signature and notarization. The affidavit is returned to the State Finance office, and the check is reissued by Department of Human Services. If the person received the original check after the stop payment has been issued, the State Child Care Assistance office should be notified that the stop payment should be canceled. The original check cannot be cashed until three days after the stop notice has been canceled by the Department of Human Services.

Returned Checks 400-28-135-30

(Revised 10/1/11 ML #3278)

View Archives

If a check has been issued in error to a provider, the check should be returned to the State Child Care Assistance office indicating why it should be cancelled.

The check will be adjusted in the Child Care Assistance Program payment system, the check will be canceled and the file for the 1099 will be adjusted.

> **NOTE:** A payment can be issued to the correct provider as soon as it is discovered that an error was made.

If the provider issues a check from their account, the form SFN 827, "Credit Form", should be completed and sent with the check to the State Finance office. The SFN 827, "Credit Form", is available on eforms.

The provider's personal check and SFN 827, "Credit Form", should be sent to:

> Department of Human Services/Fiscal Administration
> 600 E Boulevard Ave Dept 325
> Bismarck ND 58505-0250

Notices 400-28-140

(Revised 10/1/12 ML #3348)

View Archives

NDAC 75-02-01.3-02

NDAC 75-02-01.3-03

The family must be notified with a Child Care Assistance Program (CCAP) notice whenever assistance is denied, pended, or closed, providing them the opportunity for a fair hearing.

The notices that are sent are the documentation of action taken on a case. When a case is authorized for payment, the family will receive a notice automatically which states the total child care billed, amount being recouped if any, the amount the state will pay and the family share. Additional information may be entered on the comment screen. Notices are mailed to the caretaker the next business day following the process date.

Advance or adequate notice is not required in Child Care Assistance program.

Follow is a listing of notices for CCAP:

1. Child Care Certificate -- issued to the caretaker and provider when an application is approved and when a 6 month review is completed. Each time a certificate is updated a copy is mailed to the caretaker and the provider who is affected by the updated certificate.
2. Payment Notification - - informs the caretaker that a payment has been processed. The notification displays the amount over state rate, family monthly co-pay, amount recouped, and amount being paid by the CCAP.
3. Closing – informs the family they no longer meet the criteria for the CCAP.
4. Correspondence – informs to the family when one of the other notices is not appropriate.

5. Denial -- This notice is sent when the eligibility worker is denying the case.
6. Pending -- This notice is to be used when an application is received which is incomplete.

   Note: The Master Record is completed with a "P" for pending action code, and the notice is sent. Check the appropriate items that need to be completed before the application can be acted upon.

7. Overpayment Notice – informs the family of an overpayment.
8. Underpayment Notice – informs the family of an underpayment.

Case Closings 400-28-145

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-03

Cases must be closed when one or more of the following happens:

1. The caretaker(s) is no longer participating in an allowable activity
2. There is no child in the child care unit who meets the eligibility criteria to be included on the certificate or payment
3. The caretaker does not return a completed SFN 841, Child Care Assistance Program Review, form by the end of the month in which the review is due
4. If the review form is received but

    a. Is not submitted timely
    b. Is incomplete and further eligibility cannot be determined
    c. Indicates the family's income exceeds the upper income limit for the family size
    d. The child(ren) for whom child care is being requested is determined not to have a need.

5. If the Co-pay exceeds the lower of the State Rate or the amount billed for all children whom assistance is being requested at the time:
    - When a review is completed
    - An individual is added to the case
    - An individual is removed from the case
    - A case is changed from Waived Co-pay to Co-pay

    Exception: In an ongoing case, if the Co-pay exceeds the lower of the State Rate or amount billed for all child(ren) whom assistance is requested, the case remains open unless it is determined/anticipated that through the remainder of the certificate period, the Co-pay will exceed the amount billed

6. The caretaker moves out of state

7. The caretaker requests that the case be closed (request to close a case may be made verbally or in writing)
8. The mail is returned and there is no forwarding address or has a forwarding address of out of state
9. Mail is returned due to insufficient address
10. A valid certificate no longer exists but the case remains open. In this situation, the case must be closed the end of the month the certificate ended (this applies in cases that were not closed and should have been closed at the end of the month the certificate period ended). In these situations, the case must be closed backwards.
11. The caretaker fails to provide information that has been requested
12. There is no qualified provider for any child(ren) on the current certificate
13. Following the imposition of an Intentional Program Violation against a caretaker of the case causes the case to be income ineligible
14. Caretaker whose name the case is in enters a public institution
15. Factual information exists confirming the caretaker whose name the case is in is deceased
16. Loss of contact
17. Household countable income reaches the highest income level for its household size

A closing notice can be sent to close a case at the end of the current month up to the last business day of the month with the exception of:

- If a closing notice includes a time frame to allow a caretaker to provide information, the caretaker must be allowed the time frame given to provide the information. In these cases, the Child Care Assistance Program case closes on the last day of the month the time frame to provide information falls into.

The Eligibility Worker must inform the caretaker on the closing notice the date the case is closing.

If a notice is generated on a business day, the print date on the notice is the same day that the notice was generated. If the notice is generated on a non-business day (holiday or weekend), the print date is the following business day.

Underpayments and Overpayments 400-28-150

Overview 400-28-150-05

(Revised 10/1/11 ML #3278)

View Archives

When a payment is determined to be incorrect, each benefit month that is incorrect must be reworked, using the policies, procedures and the information that should have been used for the payment month. Reworking an incorrect benefit month may result in an overpayment or underpayment.

The overpayment or underpayment is the difference between the benefit amount that should have been paid and the benefit amount paid.

Underpayments 400-28-150-10

(Revised 10/1/11 ML #3278)

View Archives

An underpayment is a correction to benefits paid a household who was originally paid less than they were eligible to receive. The eligibility worker shall take prompt action to authorize underpayments to current caretakers or to caretakers who would have been eligible if the error causing the underpayment had not occurred.

Underpayments must be established based on the date discovered and whether or not the household is entitled to additional benefits. To determine if there is an underpayment, the eligibility worker must complete a budget using the Excel Spreadsheet or a hand budget before entering information into the payment system.

If the eligibility worker has made an administrative error or discovers a caretaker error resulting in an underpayment, process the underpayment in the child care computer system and send appropriate notification.

If the county social service office receives notification from the Administrative Law Judge or a court of law of a favorable decision on behalf of the client, underpayments must be established, if applicable, based on the directive included in the favorable decision.

If an underpayment would result instead of an overpayment because the household failed to report or failed to report timely, benefits are not restored and the underpayment is not made.

Documentation of Underpayment 400-28-150-10-05

(Revised 10/1/11 ML #3278)

View Archives

Document in the case file a complete record/explanation of the underpayment.

Notification of Underpayment 400-28-150-10-10

(Revised 10/1/11 ML #3278)

View Archives

When a case is reworked for the affected months(s) and an underpayment is established, the household must be sent the 'Underpayment Notification' notice. This notice informs the household of the amount of the underpayment and the reason for the underpayment.

Overpayments 400-28-150-15

(Revised 4/1/14 ML #3401)

View Archives

An overpayment is a correction to benefits paid to a provider or adult member of the Child Care Assistance unit who was originally paid more than they were entitled to receive.

The eligibility worker must promptly take all reasonable and practical steps to establish all overpayments.

Anytime an overpayment is discovered, a determination must be made whether or not to pursue an Intentional Program Violation. (Refer to Section 400-28-160, Intentional Program Violation.)

Administrative and Caretaker Errors 400-28-150-15-05

(Revised 4/1/14 ML #3401)

View Archives

When the eligibility worker has made an administrative error or discovers a provider or adult member of the Child Care Assistance unit error resulting in an overpayment, the overpayment must be established and recouped. Process the overpayment in the Child Care Assistance Program payment system and send notification of the overpayment to the provider or adult member of the Child Care Assistance unit.

All overpayments must be established for the entire period of time the incorrect payment was made regardless of the period of time or the cause of the incorrect payment.

If the wrong provider is paid in error, that provider must return the erroneous payment. If the provider returns the payment to the county social service office, the county shall forward the payment to the Department of Human Services using the appropriate SFN 827, Credit Form. If the provider does not return the payment, contact the State Child Care Assistance Program office and they will initiate the collection process.

Situations Where an Overpayment May Need to be Established 400-28-150-15-10

(Revised 10/1/11 ML #3278)

View Archives

The following is a partial listing of reasons an overpayment may need to be established:

- Individuals residing in the household who were required to be part of the child care assistance unit, but not reported at the time of application, 6 month review or as a mandatory change which resulted in a change of eligibility
- Income and/or allowable deductions that should have been reported and used at the time of application, 6 month review or as a result of a mandatory change which resulted in a change of eligibility
- Child care paid for a caretaker(s) who was not in an allowable activity
- Administrative Errors resulting in overpayments
- Receiving assistance in two states at the same time
- Not being a resident of North Dakota
- Information obtained during the Intentional Program Violation which results in an overpayment

Obtaining Verification of Unreported Information 400-28-150-15-15

(Revised 10/1/11 ML #3278)

View Archives

Regardless of the source of the information, when the agency receives information that the household may have failed to provide information necessary to determine eligibility, the household will be sent a notice requesting verification of the questionable information. The notice will inform the caretaker that:

- They have 10 days to provide the requested information

  If they don't respond within the 10 days, the eligibility worker will need to send a closing notice to close the case on the last day of the month in which the 10th day falls.

  Note: Requested verification may include, but is not limited to, members of the child care assistance unit, place of residence, sources of income or allowable activity.

Notification of Overpayment 400-28-150-15-20

(Revised 4/1/14 ML #3401)

View Archives

When the case is reworked for the affected month(s) and overpayments established, the provider or adult member of the Child Care Assistance unit must be sent the 'Overpayment Notification.' This notice informs the provider or adult member of the Child Care Assistance unit of the amount of the overpayment, the reason for the overpayment and recoupment method.

Documentation of Overpayment 400-28-150-15-25

(Revised 10/1/11 ML #3278)

View Archives

Document in the case file a complete record of the overpayment and the plan for recovery.

Recouping Overpayments 400-28-150-20

(Revised 4/1/14 ML #3401)

View Archives

The eligibility worker must promptly take all reasonable and practical steps to recoup all overpayments.

Any overpayment, whether resulting from an error made by the provider or adult member of the Child Care Assistance unit, administrative error, fraud, or a fair hearing decision subsequently made in favor of the county social service office, is subject to recovery regardless of when the overpayment occurred.

> **Note:** Only overpayments occurring under North Dakota's Child Care Assistance Program (CCAP) can be recouped. Requests from other states for recoupment cannot be honored.

The provider or adult member of the Child Care Assistance unit of the case at the time the claim was established is responsible for repayment of overpayments whether it is an administrative or recipient error.

> **Example:** If Mom has an open CCAP case and Dad is in the home, the overpayment is established in Mom's name. Mom's case closes. Dad reapplies in his name. Dad is not responsible for repayment of the overpayment.

If the case closed and the individual reapplies and begins receiving assistance again, any outstanding overpayment balance must be recouped.

Methods of Recouping Overpayments 400-28-150-20-05

(Revised 4/1/14 ML #3401)

View Archives

Methods of recovering overpayments are as follows:

- Recoupment from the Child Care Assistance Program (CCAP) payment:
  - 10% for agency and client (non-fraud) related errors
  - 20% for Intentional Program Violations (IPV) (fraud)

- Voluntary repayment – a payment that is made by the caretaker who has a closed case or in addition to the recoupment taken out of their benefit if the caretaker has an ongoing open case. The additional amounts must be sent into the CCAP State Office and CCAP State Office staff will apply the payment in the CCAP system.

- Criminal restitution. If the court has ordered an amount of recovery, either more or less than the amount identified above, the amount ordered by the court will be the only amount recovered.

The amount recouped cannot be less than 10% for client or agency errors or 20% for Intentional Program Violation (IPV) (fraud).

For client errors that are later determined to be IPV, the 10% recoupment will continue until the IPV has been established at which time the recoupment percentage must be changed to 20%.

> **Note:** The provider or adult member of the Child Care Assistance unit remains responsible for repayment of any overpayments that may have resulted from this violation regardless of eligibility for benefits.

If an underpayment is issued, the existing overpayment will be recouped from the underpayment by the established repayment method that is in place.

When an overpayment exists, regardless of the provider's or adult member's of the Child Care Assistance unit eligibility for benefits, the

provider or adult member of the Child Care Assistance unit shall continue to be responsible for repayment of the overpayment.

Appeals and Fair Hearings 400-28-155

Overview 400-28-155-05

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-13

An individual may appeal an adverse action of the Child Care Assistance Program (CCAP) by submitting a signed written request to the county social service office within 30 days from the date of the notice of adverse action. An individual is not required to use SFN 162, Request for Hearing when filing an appeal. However, the individual's request for a hearing must be made in writing and signed. When a written request for a hearing is received within 10 days from the date of the notice of adverse action, benefits must continue unless the individual requests to have their benefits reduced.

Actions which are appealable include but are not limited to:

1. Denial of CCAP benefits
2. Reduction in CCAP benefits
3. Closing of CCAP case
4. Overpayment of benefits paid
5. Any action imposed against a household except when the sole issue is one of state or federal law requiring automatic benefit adjustments for classes of recipients (unless the reason for an individual appeal is incorrect benefit computation)

Requesting a Fair Hearing 400-28-155-10

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-13

When an individual appeals an adverse action, the individual has the right to make a written request for a fair hearing within 30 days from the print date of the notice of adverse action.

If the written request for a fair hearing is received after the 30 days, the county must accept the appeal and forward the appeal to the Appeals Supervisor. The Appeals Supervisor will take the appropriate actions.

When a fair hearing is requested in writing within 10 days from the date of the notice of adverse action, assistance must be continued pending the fair hearing decision except in the following circumstances:

1. The household fails to meet other eligibility requirements
2. The recipient unconditionally withdraws or abandons the fair hearing request
3. The department reverses the proposed action without a hearing
4. The department determines, based upon the record of the claimant's fair hearing, that the issue involved is one of state or federal law or a change in state or federal law
5. After an appeal is filed and prior to the decision rendered, a change in the caretaker's benefits occurs and the caretaker fails to file a timely request for a fair hearing after they are notified of that subsequent change

When an individual submits a written request for a fair hearing within 10 days from the print date of the notice of adverse action, the individual's Child Care Assistance Program benefit must be restored at the level the household would have been eligible to receive without implementing the

proposed adverse action which is being appealed, pending the outcome of the fair hearing.

> **Note:** If two adverse actions were taken that reduced the households benefit and the household only appeals one of the adverse actions, the restored benefit level will reflect the change in benefits that results from the adverse action that was not appealed.

The eligibility worker must create and send a notice immediately unless the individual requests to have their benefits reduced.

When the individual requests a fair hearing, the fair hearing will be conducted by the Office of Administrative Hearings in accordance with N.D.A.C. 75-01-03.

Fair Hearing Process 400-28-155-15

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-13

When adverse action is taken and the individual requests a fair hearing, the hearing will be conducted by the Office of Administrative Hearings in accordance with N.D.A.C. § 75-01-03.

The following procedure should be followed when a caretaker requests a fair hearing:

- If the individual mails their request to the county social service office:
    - Both the request and the envelope must be date stamped upon receipt (the postmarked envelope is needed to determine the timeliness of the individual's request)
    - Complete the SFN 1784, Appeal Background Report
    - Gather pertinent documents relating to the appeal
    - Within 5 days of the receipt of the request, mail the request and envelope, completed Appeal Background Report and pertinent documents relating to the appeal to the DHS Appeals Supervisor.
- If the individual hand delivers their request to the county, the request form should be:
    - Date stamped upon receipt, with a notation made on the form that it was hand delivered; and
    - Complete the SFN 1784, Appeal Background Report
    - Gather pertinent documents relating to the appeal
    - Within 5 days of the receipt of the request, mail the request, completed Appeal Background Report and pertinent documents relating to the appeal to the DHS Appeals Supervisor.

If a completed SFN 1784, Appeal Background Report is not submitted, the county social service office will be contacted by the Appeals Supervisor

requesting the report be completed and mailed, along with any other pertinent documents relating to the appeal (notices, etc.) to DHS Appeals Supervisor.

Appeals Supervisor
DHS Legal Advisory Unit
600 East Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

The eligibility worker must notify the DHS Legal Advisory Unit Appeals Supervisor if the appellant is represented by legal counsel to ensure that legal counsel is also provided for the county.

Benefits Pending a Fair Hearing 400-28-155-20

(Revised 11/1/11 ML #3295)

View Archives

NDAC 75-02-01.3-13

If an application was denied and client requested a fair hearing, the denial remains in effect.

If a recipient appeals a decision within 10 days from the date of the notice of adverse action, the case remains open and payment is issued at the same level through the end of the current certification period. If the case has already closed, the case would need to be reverted to open.

If a fair hearing has not been heard at the time the caretaker is due for a 6 month review, the review is completed and a new Co-pay, State Rate, and Level of Care is established for the new certification period.

If the client disagrees with the new Co-pay, State Rate, payment amount, and Level of Care, that is a separate appealable issue.

If the caretaker is appealing an overpayment within 10 days from the date of the notice of the overpayment, the overpayment will be suspended until the outcome of the appeal has been determined.

If the caretaker is appealing a payment amount within 10 days from the date of the notice of adverse action, the caretaker's Co-pay, State Maximum Monthly Share and Level of Care remain at the same level that was in effect at the time of the appeal.

Results of the Fair Hearing 400-28-155-25

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-13

If the individual receives a favorable decision, a financial penalty is not applied to the case.

In the event that an individual loses the appeal, any amount paid to the provider or adult member of the Child Care Assistance unit pending the fair hearing decision shall be considered an overpayment and subject to recovery. Payments made from the date the adverse action should have been implemented that relates to the appeal through the date the decision rendered by the office of administrative hearing is implemented is the amount of the overpayment.

Intentional Program Violation (IPV) 400-28-160

Overview 400-28-160-05

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

Any provider or adult member of the Child Care Assistance unit who is suspected of withholding information for the purpose of improperly establishing or maintaining eligibility for benefits shall be referred to the Administrative Disqualification Hearings Officer for a determination of an Intentional Program Violation (IPV) or the court system for a determination of fraud. If a provider or adult member of the Child Care Assistance unit withheld information that did not result in an overpayment, an IPV can still be pursued due to the fact that the individual withheld information.

Intentional Program Violation (IPV) 400-28-160-10

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

An IPV is defined as "an action by an individual, for the purpose of establishing or maintaining eligibility for Child Care Assistance Program (CCAP) or for increasing or preventing a reduction in the amount of assistance".

In order to determine if a provider or adult member of the Child Care Assistance unit has committed an IPV, that individual must have intentionally committed any act intended to mislead, misrepresent, conceal, or withhold facts that constitutes a violation of CCAP or any State statute.

Examples:

- A source of income
- Allowable deductions
- A household member
- Falsified billing report form
- Not being in an allowable activity
- Receiving assistance in two states at the same time
- Not being a resident of North Dakota

The use of the term "intentionally" does not mean the eligibility worker has the burden of proving that an individual intended to commit a fraudulent act. The signature of any provider or caretaker on the Application, 6 Month Review form, Change Report form, Child Care Billing Report form or any other appropriate materials attests to providing factual information that is required to determine eligibility.

Types of Intentional Program Violations (IPV) 400-28-160-15

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

An IPV disqualification can be established in the following two ways:

1. Administrative Disqualification Hearing (ADH) is pursued when an individual is suspected of intentionally withholding information that results in improperly establishing or maintaining eligibility for Child Care Assistance Program (CCAP) benefits. ADH procedures should be initiated in instances when there is sufficient documentary evidence to substantiate that an individual has committed one or more acts of IPV.

   An individual has the right to waive an Administrative Disqualification Hearing. The eligibility worker must possess sufficient evidence to warrant holding a disqualification hearing before allowing an individual to waive the hearing.

2. Court Conviction – Fraud is a result of an individual being convicted in federal or state court of having made a fraudulent statement or representation which results in improperly establishing or maintaining eligibility for Child Care Assistance Program benefits.

   Upon receipt of the judgment:

   - If the judgment includes a CCAP disqualification period, impose the disqualification following the CCAP disqualification time frames. (See Section 400-28-160-35, Disqualification Time Frames)
   - If the judgment indicates a disqualification period will NOT be imposed, the judgment must be followed and a disqualification period cannot be imposed.
   - If the judgment does not include a disqualification period or is silent as to a disqualification period, the eligibility worker must

forward the following information to the Appeals Supervisor to process the findings under the IPV provisions:

- Criminal Complaint
- Judgment or Order and
- A cover letter detailing the violation and providing the name, address, and Social Security Number. Inclusion of any prior disqualifications should also be noted

- For judgment related to provider fraud, contact the State Office for processing.

Regardless of the type of IPV, the appropriate notice must be sent to the provider or adult member of the Child Care Assistance unit notifying the provider or adult member of the Child Care Assistance unit that an individual is disqualified if applicable. The conviction and disqualification information and copies of supporting documents (including conviction information) must be recorded in the case file. If a disqualified person moves from one county to another, include disqualification information in the case transfer information.

After a disqualification hearing, there are no further appeal procedures available through the Administrative Hearing Process. The determination of IPV cannot be reversed by a subsequent hearing. The individual, however, is entitled to seek relief in a court of appropriate jurisdiction. The period of disqualification may be subject to stay or other action which would delay the imposition of the disqualification.

Evidence Evaluation 400-28-160-20

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

The following procedure is suggested to evaluate the evidence to determine if a violation has been committed:

- Review the case and all evidence with the eligibility supervisor, director, or the regional representative of Economic Assistance.
- If the evidence is sufficient for referral to the hearings officer, the referral shall be made regardless of any legal action planned against the provider or adult member of the Child Care Assistance unit.

Initiating Administrative Disqualification Hearing Process 400-28-160-25

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

The Administrative Disqualification Hearing process should be initiated in instances when there is sufficient documentary evidence to substantiate that an individual has committed one or more acts of IPV. The following procedures are recommended:

1. The county social service office shall complete the first portion of SFN 1940, TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation.

   Indicate the provider or adult member of the Child Care Assistance unit against whom there is evidence of a violation. In most instances this will be the provider or adult member of the Child Care Assistance unit who has completed the application, review or change report form, child care billing report form or any other appropriate materials used in the eligibility process containing the false information.

   If there is more than one caretaker in the case, IPV can be pursued against one or both of the caretakers. A separate SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation must be completed for each caretaker for whom IPV is being pursued.

   When completing the 'description of evidence' section of the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation form, be brief and to the point. Address the specific provider or adult member of the Child Care Assistance unit. Identify what the individual misrepresented, as well as when and how. Describe what is believed to be the true information and where the information came from.

   Note: If more room is needed, use a second sheet.

2. The eligibility worker must attempt to hold a meeting with the household member to discuss the suspected IPV within two weeks of establishing the suspected IPV.

   Note: The preferred method for arranging the meeting is to send the provider or adult member of the Child Care Assistance unit a notice through the automated computer system.

   - If the individual suspected of an Intentional Program Violation attends the meeting, the individual shall be given a copy of the DN 1087, Legal Service Organizations form. This serves to meet the federal requirement that individuals being considered for Administrative Disqualification be notified of the availability of free legal assistance.

     - If during the meeting it is determined there was no Intentional Program Violation, SFN 1940, TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation is placed in the case file with a notation that it was not forwarded for further action along with a summary of the explanation as provided by the individual. However, any overpayments must still be established and recovered.
     - If during the meeting, the county believes the violation did occur and the individual has no satisfactory explanation, SFN 1940, TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation is to be given to the individual, along with an explanation and the consequences relating to the signing of Part A or B of the Waiver of Hearing.

       - Waiver A - Allows an individual to admit to the facts and accept the disqualification period.
       - Waiver B – Allows an individual to accept the disqualification without admitting to the facts.

       In order to waive their Administrative Disqualification Hearing, the individual must sign either part A or B of the waiver located on the SFN 1940, TANF/SNAP/CCAP Notice of Suspected Intentional Program violation.

A signed waiver is a statement that the provider or adult member of the Child Care Assistance unit has been informed a disqualification penalty will result.

The eligibility worker must explain that signing Part A or B of the Waiver of Hearing will result in specific program disqualification:

- 6 months for a 1st violation,
- 12 months for a 2nd violation, and
- Permanently for 3rd and any subsequent violation.

- If during the meeting the individual suspected of an Intentional Program Violation signs the Waiver of Hearing:
  - Provide the individual a copy of SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation; and
  - Mail the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation, detailing the violation to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

    Note: If Part B is signed, a cover letter detailing why the individual signed Part B rather than Part A must also be sent to the Appeals Supervisor.

- If during the meeting, the individual suspected of an Intentional Program Violation refuses to sign the Waiver of Hearing:
  - Explain that a hearing will be held, usually by telephone, unless they request that a hearing officer be present as indicated on the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation.
  - Give the individual a copy of the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation.
  - Mail the original along with a letter detailing the violation, copies of relevant parts of the application, review, change report form, child care billing report form and other

supporting documentation obtained, etc., to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

Note: It will not usually be necessary to copy the entire application or review as long as it is identified.

3. If the individual suspected of an Intentional Program Violation fails to respond within 10 days to a request for a meeting or agrees to a meeting but fails to appear for the meeting:

   - Forward the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation, along with a letter detailing the violation, to the Appeals Supervisor, North Dakota Department of Human Services, Judicial Wing, 600 East Boulevard Avenue, Bismarck, ND 58505-0250.

     Prior to receipt of a disqualification decision, the household will continue to participate at the same benefit level as any other household while awaiting a disqualification decision. The overpayment continues to be collected at the rate of 10%. Full repayment of the overpayment does not stop the disqualification procedure from taking place.

4. If the notice is returned as undeliverable or with no forwarding address, the IPV shall not be forwarded to the Legal Advisory Unit for a hearing, as an IPV hearing cannot be scheduled by the Office of Administrative Hearings (OAH) if the notice cannot be mailed (and received) by the recipient.

   - The IPV information shall be placed in the casefile until an address is known, at which time the Eligibility Worker can begin the proceedings.

Appeals Supervisor Action 400-28-160-30

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-12

Upon receipt of the SFN 1940 TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation:

1. If the Waiver of Hearing was signed, the Appeals Supervisor will review and approve the signed Waiver of Hearing, and notify the individual of the reason for and the effective date of the disqualification, whether the case is currently open or closed. Notification will be sent to the county to impose the disqualification.

2. If a Waiver of Hearing was not signed:

    a. The Appeals Supervisor will schedule a hearing to be conducted either by phone or with a hearing officer present.
    b. If the individual or the individual's representative fails to appear for the scheduled hearing, without good cause, the hearing will still be conducted as scheduled. Good cause is determined by the Appeals Supervisor.
    c. If the Hearing Officer determines the individual has committed the violation, the Appeals Supervisor will notify the individual of the disqualification reason.

Upon receipt of the hearing decision, the county must take appropriate action.

Note: The eligibility worker must receive the order which is signed by the Executive Director of the North Dakota Department of Human Services prior to taking any action.

Disqualification Time Frames for Intentional Program Violations (IPV) 400-28-160-35

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

Providers or adult members of the Child Care Assistance unit who have committed an Intentional Program Violation (IPV) will be disqualified the following time periods:

- 6 months for the 1st offense
- 12 months for the 2nd offense
- Permanently for the 3rd or subsequent offense

Penalty for Intentional Program Violation (IPV) 400-28-160-40

(Revised 4/1/14 ML #3401)

View Archives

NDAC 75-02-01.3-12

Upon receipt of the hearing decision, the county shall impose the required. Once the disqualification penalty is imposed, the disqualification penalty period continues uninterrupted until completed.

The start date of the disqualification period is determined by the Appeals Supervisor.

An individual who is disqualified due to an IPV is not allowed to participate in the Child Care Assistance Program during the IPV disqualification period:

- If a disqualified individual applies for CCAP as a caretaker, the application is denied and the entire CCAP unit is ineligible.
- If a disqualified individual is a household member in an application or in an ongoing case, the entire CCAP unit is ineligible.
    - **Exception:** Individuals who apply for or are receiving assistance through a federal or state funded program and require child care in order to participate in that federal or state funded program are eligible to receive child care through CCAP in a month they are subject to an IPV disqualification. Individuals that apply for or are receiving TANF, Transition, Diversion, or Crossroads are eligible to receive child care during an IPV disqualification period providing all other factors of eligibility are met.

Overpayments are recovered through a reduction of the Child Care Assistance Program payment. The rate of recovery for IPV is 20%.

Contact the state office for processing of overpayments for a provider IPV.

When an overpayment exists, regardless of the provider's or adult member's of the Child Care Assistance eligibility for benefits, the provider or adult member of the Child Care Assistance shall continue to be responsible for repayment of the overpayment which resulted from this violation.

Disqualification in Another State 400-28-160-45

(Revised 10/1/11 ML #3278)

View Archives

NDAC 75-02-01.3-12

Disqualifications from other states are not imposed or counted in North Dakota. If an individual has another IPV currently in place from another state, they are eligible to receive Child Care Assistance in North Dakota.

Appendix 400-28-165

SFN 23, Application for Approval for Relative Child Care Provider 400-28-165-05

(Revised 10/1/11 ML #3278)

View Archives

SFN 23, Application for Approval for Relative Child Care Provider is to be completed by an individual choosing to become an approved relative provider for child care.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 29, Crossroads Program Application 400-28-165-10

(Revised 10/1/12 ML #3348)

View Archives

SFN 29, Crossroads Program Application is to be completed by an individual under age 21 choosing to apply for assistance under the Crossroads Program.

This form is presented in Adobe Acrobat and requires the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 113, Postsecondary Education Information 400-28-165-15

(Revised 1/1/13 ML #3356)

View Archives

SFN 113, Postsecondary Education Information form is to be completed by any adult household member who is attending postsecondary education. The form provides the eligibility worker with information regarding the individual's education history and anticipated course of study and/or degree to determine if they are in an allowable education.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 162, Request for Hearing 400-28-165-20

(Revised 10/1/11 ML #3278)

View Archives

SFN 162, Request for Hearing form is used when an applicant or caretaker chooses to request a fair hearing due to action taken regarding TANF benefits.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms. (54kb pdf)

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

DN 241, Sliding Fee Schedule 400-28-165-25

(Revised 10/1/11 ML #3278)

View Archives

DN 241, Child Care Sliding Fee Schedule was developed to determine cost sharing by a family and Child Care Assistance Program based on income, size of the family, the age of the child, type of provider and level of care.

The document can be accessed at:

http://www.nd.gov/dhs/info/pubs/docs/dn-241-child-care-assistance-sliding-fee-scale.pdf

SFN 405, Application for Assistance 400-28-165-30

(Revised 10/1/11 ML #3278)

View Archives

SFN 405, Application for Assistance is used when an individual wishes to apply for multiple programs including the Child Care Assistance Program (CCAP).

This form is available through the Department of Human Services, On-line and may also be obtained electronically via E-Forms. (54kb pdf)

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 413, Individual Indian Monies Account 400-28-165-35

(Revised 10/1/11 ML #3278)

View Archives

SFN 413, Individual Indian Monies Account form is to obtain definite information from Indian agencies about deposits made to and balances remaining in IIM Accounts. This information is necessary to determine eligibility and benefit amount and lends itself to prorating based on income received during a previous 12-month period.

The upper portion of the form is to be completed by the eligibility worker. The form must be signed by the applicant and or recipient who then sends or takes it to the superintendent of the Indian agency for completion.

> **Note:** The household may choose to sign a Release of Information permitting the eligibility worker to obtain the needed data from the Indian agency directly. SFN 413, signed by the applicant or recipient, must also be used when this method is followed.

The bottom portion of the form is completed by appropriate officials of the Indian agency.

IIM accounts for persons enrolled at the Fort Totten and Turtle Mountain Indian agencies are maintained in the Aberdeen, South Dakota, Area Office. Accounts for persons enrolled by the Fort Berthold and Standing Rock agencies are maintained by each of those agencies.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms. (71kb pdf)

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 598, Child Care Assistance Program Application 400-28-165-40

(Revised 10/1/11 ML #3278)

View Archives

SFN 598, Child Care Assistance Program Application may be used by anyone applying only for the Child Care Assistance Program.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 616, Child Care Billing Report 400-28-165-45

(Revised 4/1/12 ML #3327)

View Archives

SFN 616, Child Care Billing Report is completed by the child care provider identifying the monthly charges and hours for the child(ren) while in their care and by the family identifying the hours the caretaker(s) was participating in their allowable activity while the child was in the provider's care. Once completed, the provider and caretaker must sign and date the form prior to submission.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 670, Child Care Assistance Program Change Report 400-28-165-50

(Revised 10/1/11 ML #3278)

View Archives

SFN 670, Child Care Assistance Change Program Report is used by caretakers to report mandatory changes.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 841, Child Care Assistance Program Review 400-28-165-55

(Revised 10/1/11 ML #3278)

View Archives

SFN 841, Child Care Assistance Program Review is used by caretakers to complete their 6 month review.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 827, Credit Form 400-28-165-60

(Revised 10/1/11 ML #3278)

View Archives

SFN 827, Credit Form is used by eligibility workers to submit payments to the State Office.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

SFN 848, Provider's Request to Pay Parent Directly 400-28-165-65

(Revised 10/1/11 ML #3278)

View Archives

SFN 848, Provider's Request to Pay Parent Directly is completed by the provider to allow the payment to be made to the caretaker.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms.

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

DN 1087, Legal Service Organizations 400-28-165-70

(Revised 10/1/11 ML #3278)

View Archives

DN 1087, Legal Service Organization listing is provided to individuals suspected of having committed intentional program violation of the availability of free legal services.

A copy of this form is to be provided to such individuals at the time of the meeting as described in the policy.

This form is available through the Department of Human Services in paper form or through the County Intranet.

SFN 1940, TANF/SNAP/CCAP Notice of Suspected Intentional Program Violation 400-28-165-75

(Revised 10/1/11 ML #3278)

View Archives

SFN 1940 is intended to:

1. Notify an individual in writing when that individual is suspected of having committed intentional program violation;
2. Provide a means of waiving the right to a hearing if an individual suspected of intentional program violation wishes to waive their right to an administration disqualification hearing;
3. Assign a hearing time if the right to an administrative disqualification hearing is not waived; and
4. To allow an individual who desires that a hearing officer be present at the hearing, rather than having a telephone hearing, to indicate that desire.

Form completion instructions:

Pages 1 and 2 are to be completed by the county initiating the administrative disqualification hearing procedure. The form is to be signed in this section, by an eligibility worker, supervisor, or county director who will be present at the meeting with the individual suspected of having committed intentional program violation.

Page 3, the "Waiver of Hearing" section, either A or item B, is to be signed if the individual wishes to waive their right to an administrative disqualification hearing.

Page 4, the individual suspected of intentional program violation must sign on this page if the individual does not waive their right to a hearing and desires that a hearing officer be present at the hearing, rather than a telephone hearing.

If an administrative disqualification hearing is scheduled, the Appeals Referee Supervisor will complete "notice of hearing" and so advise the suspected individual.

Form distribution:

- Original
  - If it is decided at the time of the meeting that there was no intentional program violation - file original and all copies in case file along with a notation of the results of the meeting.
  - If the right to hearing is waived, or if there is to be a hearing - forward to Appeals Referee Supervisor.

- 1 Copy - If the right to a hearing is waived, or if there is to be a hearing - give to the accused individual signing the form.

- 1 Copy – Case file.

This form is available through the Department of Human Services and may also be obtained electronically via E-Forms. (80kb pdf)

E-Forms are presented in Adobe Acrobat and require the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

DN 759 Client's Right to Appeal 400-28-165-80

(Revised 10/1/11 ML #3278)

View Archives

A copy of the DN 759 Client's Right to Appeal (62 kb pdf) is available at this link.

This document is presented in Adobe Acrobat and requires the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.

Child Care Certificate 400-28-165-85

(Revised 10/1/11 ML #3278)

View Archives

A sample of the Child Care Certificate (130 kb pdf) is available at this link.

This document is presented in Adobe Acrobat and requires the Adobe Acrobat reader. If you do not currently have Adobe Acrobat reader installed, you may download a free copy by clicking the Get Adobe Reader icon below.