Instructions for FDCH Sponsors
Household Income Eligibility Statements

Family Day Care Home (FDCH Sponsors) who have providers that claim Tier I reimbursement rates are required to:

- Distribute the FDCH Parent/Guardian Letter, FDCH Household Income Eligibility Statement (HIES), and Instructions for FDCH Parents/Guardians;
- Review and determine the category for each completed HIES; and
- Maintain all HIES's on file, including the parent/guardian consent for providers to submit their HIES on their behalf. All HIES's and consents collected and categorized by the FDCH Sponsor must be retained for three years after the end of the fiscal year to which they pertain, or if an audit is outstanding, until the audit is closed.

The current HIES and FDCH Parent/Guardian Letter (dated 7/16 on the bottom) must be used for all providers who are categorized as Tier II for the period beginning July 1, 2016, and who wish to apply for Tier I reimbursement for children in their care, including foster children.

BEFORE YOU PRINT

- Insert the name, address, and telephone number of the FDCH Sponsor at the top and the consent (number one) of the FDCH Parent/Guardian Letter, and the HIES.
- Sign the FDCH Parent/Guardian Letter.

Do not make any changes to the FDCH Parent/Guardian Letter or HIES. Federal regulations and policies require the items and language that are used and prohibit the Tier I Category Income Eligibility Guidelines from being printed on the FDCH Parent/Guardian Letter and HIES.

How to Determine Eligibility for a Foster Child(ren)

A foster child can be added to the foster parent household size and income in determining eligibility for Tier I rate of reimbursement (see How to Determine Eligibility for Non-FAP, Non-FIP, or Non-FDPIR Households With or Without Foster Children).

If a Household is **only** applying for benefits for a foster child(ren):

- Review the HIES for completeness. If a HIES is not complete, return it to the household to complete, otherwise, you cannot determine eligibility and the child must be classified as Tier II. A complete form for this household must include:

Part 1.	Not applicable.
Part 2.	The foster child's name, age, and birth date. Enter a check (√) under the enrolled in child care and foster child category boxes. Income information is not required.
Part 3.	The signature of the adult household member. The last four digits of a Social Security number are not required.

- The person determining the eligibility of the completed HIES must sign, date, and circle "Foster" in the Categorical Eligibility Program (Tier I) "For Sponsor Use Only" section.

How to Determine Eligibility for FAP, FIP, or FDPIR Households

A child is eligible if he/she is a member of a household receiving Food Assistance Program (FAP), Family Independence Program (FIP), Food Distribution Program on Indian Reservations (FDPIR) benefits, or other categorically eligible program including Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Head Start participants, Pre-Kindergarten participants of the Even Start Program, Commodity Supplemental Food Program (CSFP), The Emergency Food Assistance Program (TEAP), Medicaid, and National School Breakfast and Lunch Program.

- Review the HIES for completeness. If a HIES is not complete, return it to the household to complete, otherwise, you cannot determine eligibility and the child must be classified as Tier II. A complete form from these households must include:

  Part 1. The name and case number for any household member (including adults) receiving FAP, FIP, or FDPIR. One case number per household can be listed. The case number configuration is nine numbers that begin with a one (1) followed by eight numerals. Example: 101234567. The number on a household's Electronic Benefit Transfer or Bridge Card for FAP cannot be accepted as a FAP case number. FDPIR numbers may vary according to each tribal organization. Other categorically eligible programs must be listed by name.

  Part 2. The name, age, birth date for all children enrolled in day care, including foster children. Household income information is not required.

  Part 3. The signature of the adult household member is required. The last four digits of a Social Security number are not required.

- The person determining the eligibility of the completed HIES must sign, date, and circle the appropriate Categorical Eligibility (Tier I) in the "For Sponsor Use Only" section.

How to Determine Eligibility for Non-FAP, Non-FIP, or Non-FDPIR Households With or Without Foster Children

A provider not receiving Food Assistance Program (FAP), Family Independence Program (FIP), Food Distribution Program on Indian Reservations (FDPIR), or other categorically eligible benefits program must report the monthly income (gross) received by each household member, identified by source, such as earnings, wages, welfare, pensions, support payments, unemployment compensation, social security, retirement, and other income received or withdrawn from any other source, including savings, investments, trust accounts, and other resources. Financial aid for postsecondary education is not considered to be income.

A foster child can be added in Part 2 to make an eligibility determination for the remainder of the household based on the household's income (including personal income earned by the foster child). Funds provided by the welfare agency specifically identified by category for personal use of the child for items such as clothing, school fees, and allowances are counted as income. Funds identified for shelter and care, and medical and therapeutic needs are not considered as income for the child. Where welfare funds cannot be identified by category, no portions of the provided funds are considered as income. Funds personally received by the child, such as funds received from trust accounts, monies provided by the child's family for personal use, and earnings from full-time and regular part-time employment, are to be considered as income for the child. Occasional earnings by the child should not be considered as income. The presence of a foster child in a family does not make all children in the household eligible for Tier I meal reimbursement.

- Review the HIES for completeness. If a HIES is not complete, return it to the household to complete, otherwise, you cannot determine eligibility and the child must be classified as Tier II. A complete form from these households must include:

  Part 1. Not applicable.
  Part 2. The names of all household members, ages, and dates of birth. A check (√) is marked under those children who are enrolled in child care and/or are foster children. The monthly income received for each household member identified by source.
  Part 3. The signature and contact information of an adult household and the last four digits of his/her Social Security number or "None" checked.

- The person determining the eligibility of the complete HIES must determine the number of household members and total monthly income. Enter these numbers in the "For Sponsor Use Only" section. Compare the total number of household members and the total income from the HIES to the Income Eligibility Guidelines. This will determine the category of the household's tiering level. Identify the category of the household by circling Tier I or Tier II. Sign and date the form.

Households who are ineligible or who have an incomplete or missing HIES, must claim Tier II meal reimbursement. However, if a complete and correct form showing Tier I eligibility is collected by the end of the month in which a child is served meals, the child may be claimed in that category for the entire month.

Help With Income

To determine monthly income:

- If paid every week, multiply the total gross income by 52 and divide by 12.
- If paid every two weeks, multiply the total gross income by 26 and divide by 12.
- If paid once a month, use the total gross income.
- If paid twice a month, multiply the total gross income by 24 and divide by 12.
- If paid once a year, divide the total gross income by 12.