

## **Instructions for FDCH Sponsors Provider Income Eligibility Statements**

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

- Distribute the Provider Income Eligibility Statement (PIES) and Instructions for Providers.
- Review and determine the category for each completed PIES.
- Maintain all PIESs on file. All PIESs collected and categorized by the FDCH Sponsor must be retained for three years plus the current fiscal year to fulfill the CACFP requirement or if an audit is outstanding, until the audit is closed.

The current PIES and Provider Letter (dated 7/2024) in the lower right-hand corner) must be used for all providers who are categorized as Tier II for the period beginning July 1, 2024, and who wish to apply for Tier I reimbursement for children in their care, including their own and/or foster children.

### **BEFORE YOU PRINT**

- Insert the name, address, and telephone number of the FDCH Sponsor at the top of the Provider Letter and the PIES.
- Sign the Provider Letter.

Do not make any changes to the Provider Letter or PIES. 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 Provider Letter and PIES.

### **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 Provider is **only** applying for benefits for a foster child(ren):

- Review the PIES for completeness. If a PIES is not complete, return it to the provider to complete. Otherwise, you cannot determine eligibility and the child must be classified as Tier II. A complete form for this provider must include:
  - Part 1. Not applicable.
  - Part 2. The foster child's name, age, and birth date.  
Enter a check (√) under the enrolled in childcare 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 PIES 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), or Food Distribution Program on Indian Reservations (FDPIR) benefits.

- Review the PIES for completeness. If a PIES is not complete, return it to the provider to complete, otherwise, you cannot determine eligibility. The children must then be classified Tier II, and the provider's own children would not be eligible for reimbursement. A complete form from these providers 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.
  - Part 2. The name, age, birth date for all children enrolled in day care, including a provider's own and/or 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 PIES 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), or Food Distribution Program on Indian Reservations (FDPIR) benefits 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 PIES for completeness. If a PIES is not complete, return it to the provider to complete, otherwise, you cannot determine eligibility. The children must then be classified Tier II, and the provider's own children would not be eligible for reimbursement. 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 children enrolled in childcare and/or are foster children. The monthly income received for each household member identified by source.
  - Part 3. The signature and contact information of the provider and the last four digits of his/her Social Security number or "None" checked.
- The person determining the eligibility of the complete PIES 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 Provider Income Eligibility Statement to the Income Eligibility Guidelines. This will determine the category of the provider's tiering level and the child(ren) in his/her care. Identify the category of the provider by circling Tier I or Denied (Tier II). Sign and date the form.

Providers who are ineligible or who have an incomplete or missing PIES, must claim Tier II meal reimbursement for children in their care and they would not be permitted to claim their own children for 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, including a provider's own children.

## **Help With Determining 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.

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