
POLICY TRANSMITTAL NO. 09-45	DATE: SEPTEMBER 25, 2009
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF LEGISLATIVE RELATIONS AND POLICY

TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:40-5-1; 40-7-1; 40-7-6; and 40-7-11 through 40-7-12.

EXPLANATION: **Policy revisions were approved by the Commission and the Governor as required by the Administrative Procedures Act.**

OAC 340:40-5-1 Instructions to staff (ITS) is revised to clarify when two case records must be established for child care benefits for children in the same household.

OAC 340:40-7-1 is amended to remove language regarding non-cash Temporary Assistance for Needy Families (TANF) vouchers due to a change in state statute. ITS is revised to add policy cites for the State Supplemental Payment and Refugee Resettlement Program.

OAC 340:40-7-6 ITS is revised to clarify: (1) when two case records must be established for child care benefits for children in the same household; and (2) requirements that must be met for household income to not be considered for an adopted child.

OAC 340:40-7-11 is amended to remove language regarding adoption subsidy payments as they are no longer considered for child care eligibility. ITS is revised to direct staff to policy listed in OAC 340:40-7-12(6) regarding the consideration of income for certain families with adopted children.

OAC 340:40-7-12 is amended to add: (1) language to exempt household income for certain children adopted through the Oklahoma Department of Human Services (OKDHS); and (2) adoption subsidy payments as excluded income. ITS is revised to further clarify the required conditions for exempting income of household members for certain adopted children.

Original signed on 8-25-09

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WF # 09-11 (NAP)

INSTRUCTIONS FOR FILING MANUAL MATERIAL

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following an "OKDHS" number, such as personnel policy at OKDHS:2-1 and personnel rules at OAC 340:2-1. The "340" is the Title number that designates OKDHS as the rulemaking agency; the "2" specifies the Chapter number; and the "1" specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, OKDHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, OKDHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at 405-521-4326.

REMOVE

340:40-5-1

340:40-7-1

340:40-7-6

340:40-7-11

340:40-7-12

INSERT

340:40-5-1, pages 1-17, revised 10-1-09

340:40-1-7, pages 1-4, revised 10-1-09

340:40-7-6, pages 1-8, revised 10-1-09

340:40-7-11, pages 1-10, revised 10-1-09

340:40-7-12, pages 1-9, revised 10-1-09

340:40-5-1. Plan of service

Revised 6-1-09

Providing child care is part of an overall plan of service designed to help the parent or caretaker with whom the child lives to achieve his or her maximum potential for self-support. Quality child care services assure the parent or caretaker that each child has adequate care that affords developmental and learning experiences while the parent or caretaker is engaged in self-support activities. ■ 1 The plan of service consists of many components that all link to form a goal-directed plan of care, and includes the components in (1) through (11).

(1) **Child characteristics.** The worker gathers information about the child for whom child care is needed including his or her name, age, grade level, and whether the child has a disability. ■ 2

(2) **Need for child care.** The worker determines whether the parent or caretaker meets a need factor in accordance with OAC 340:40-7-7 and 340:40-7-8.

(3) **Plan hours.** The worker gathers information about the days and hours the parent or caretaker meets the need factor, including travel time. ■ 3

(A) When there are two parents or caretakers in the home, the worker only approves subsidized child care benefits when both parents or caretakers meet a need factor during the same hours in accordance with OAC 340:40-7-7 and OAC 340:40-7-8.

(B) Based on the days and hours the child requires care, the worker approves a full-time daily, part-time daily, a combination of full-time and part-time daily, weekly, or a blended unit type. ■ 4

(4) **Alternative to subsidized child care benefits.** The worker explores with the client whether there is an appropriate, feasible alternative to Oklahoma Department of Human Services (OKDHS) subsidized child care benefits. ■ 5

(A) If the alternative is a spouse or the natural or adoptive parent of the child who lives in the home, the client must use the alternative rather than subsidized child care benefits.

(B) If the alternative is someone else, the client has a choice whether to use this alternative. ■ 5 Possible alternatives include:

(i) care by a dependable relative who is able and willing to assume responsibility for care and supervision of the child for part of the day;

(ii) care in a free or low cost facility, such as a preschool, pre-kindergarten, kindergarten, Head Start, Early Head Start, or tribal child care program; ■ 6

(iii) dependent care expenses that are considered as earned income exemptions, per OAC 340:10-3-33(3); and

(iv) for a school age child, the rearrangement of the parent's or caretaker's employment or training schedule to coincide with the hours the child is in school.

(5) **Plan to increase income.** At each application or review the client and worker discuss ways the client can increase income to the household and identify the goals child care helps the family achieve. Together they estimate when the family can assume progressively greater responsibility for the cost of child care. The worker makes referrals to other agencies as appropriate and in accordance with OAC 340:40-7-9. ■ 7

(6) **Back up plan.** The worker discusses with the client the back up plan for child care that is in place if the child cannot go to the usual provider because of illness, school holidays, or other unforeseen emergency. The back up plan includes the name and address of a person the client feels he or she can rely on when the normal plan of care cannot be used. ■ 8

(7) **Choice of provider.** The worker documents the choice of provider on the application or review form. ■ 9

(A) If the client does not choose a provider at the time of request, the worker provides the client with information to help in making the choice.

(B) The client may choose a family child care home regardless of star level. ■ 10

(C) The client may not choose a child care:

(i) facility that does not have a valid contract with OKDHS;

(ii) facility in which the client or his or her spouse, including the child's parent or stepparent, has an ownership interest;

(iii) home in which the child resides;

(iv) home in which the client also works during the hours his or her child(ren) is in care unless an approval is obtained from the Family Support Services Division (FSSD), Child Care Subsidy Section; ■ 11

(v) provider who does not allow parental access during the hours the provider is caring for children;

(vi) provider who is receiving state or federal funds, such as Head Start, Early Head Start, or public schools, unless:

(I) all parents are charged a fee for the hours subsidy payment is requested; and

(II) the program offers extended day services. Programs operating only during typical school or Head Start hours are not eligible; ■ 6

(vii) provider caring for a school age child during the regular school day when such student could be attending a public or private school during those hours; or ■ 12

(viii) center, which is a one star facility unless there are no one plus, two, or three star centers in the community or special exception criteria are met. Special exception criteria are:

(I) the child was already approved for care at this one star center prior to January 1, 2003 or prior to the provider's star status being reduced to one star. The child can remain at this facility unless the child stops attending there for more than 30 calendar days. The child may be approved at this same facility again if the only reason the child did not attend for more than 30 calendar days was because of a school break or due to circumstances beyond the control of the family such as illness of the child; ■ 13

(II) care is requested for a child living in the same home as a child already approved for care as described in (7)C(viii)(I) of this subsection for the same one star child care provider; or

(III) the parent or guardian demonstrates there is no other child care option that meets the family's needs. ■ 14

(8) **Income determination.** Based on OAC 340:40-7, the worker determines who is

considered part of the household for income determination, what income is countable, and what income is excluded. After determining the amount of countable household income, the worker uses OKDHS Appendix C-4, Child Care Eligibility/Co-payment Chart, to determine whether the household meets income guidelines. The OKDHS Appendix C-4 is amended from time to time and the Commission for Human Services must approve any changes. If the income of the family exceeds the eligibility standard on the appendix or is above the income level on the appendix, the family is not eligible for subsidized child care benefits.

(9) **Family share co-payment.** The worker uses OKDHS Appendix C-4 to determine the family share co-payment for each family. The family share co-payment is applied before OKDHS pays a child care subsidy. ■ 15 The amounts the family and OKDHS pay toward the cost of care varies depending on the plan of service, family size, income, and the number of children receiving subsidized child care benefits.

(10) **Social services requests.** When a client requests help in meeting the social services needs listed on the application or review form, the worker provides all available information to aid a client in meeting these needs. ■ 16

(11) **Client rights and responsibilities.** The worker advises the client of rights and responsibilities listed in (A) through (G).

(A) A child care request is only approved back to the date of request when the interview is conducted and verification is provided on that same date.

(B) The client has the right to ask for a fair hearing if the client disagrees with an action taken on his or her case, per OAC 340:2-5. ■ 17

(C) The provider may charge the client for special fees, such as enrollment or transportation fees, provided these fees are posted and also charged to the general public.

(D) The provider may charge the client for care provided in excess of OKDHS approved child care plan of service hours when the client chooses to leave the child in care longer. If the provider requires that all children in the facility begin care by a certain time of day and the client's child care plan hours start later, the provider must not charge the client for those additional hours. The client swipes attendance based on the child care plan hours. ■ 18

(E) The provider may charge the client for any days OKDHS refuses to pay for care when: ■ 19

- (i) the client did not swipe attendance for the correct days and times his or her child attended child care;
 - (ii) swipes were denied and the client did not get them corrected within ten calendar days; or
 - (iii) the provider loses the absent day payment for a child approved for a weekly unit type because the client did not swipe correct attendance for every day the child attended that month.
- (F) The provider may not charge the client for:
- (i) days and hours covered in the child care plan when all attendance was correctly swiped even if the hours are more than customary for a full-time day; and
 - (ii) days the child is not in attendance. ■ 20
- (G) The client is required to cooperate with the OKDHS Office of Inspector General in any audit or investigation of possible overpayments by the client or by the client's chosen provider.

INSTRUCTIONS TO STAFF 340:40-5-1

Revised 10-1-09

- 1. A major focus of all client contacts is to establish a good relationship with the family. Establishing a relationship of mutual trust helps to identify the family's needs, strengths, and goals. Actually seeing and talking to the children in the family also helps in developing a true picture of the family and its dynamics. The worker helps the client become more independent by suggesting ways to increase household income and identifying strengths in the client's life. The Family Support Services (FSS) worker and the Child Welfare (CW) staff freely share information to develop a plan that best meets the needs of the family when both are working with the family.**
- 2. (a) If the child is in school, the worker asks what days and hours the child attends school to help determine how many hours the client needs subsidized child care.**
 - (b) Child care providers caring for children with disabilities are sometimes**

eligible for a higher reimbursement rate. See OAC 340:40-7-3 and 340:40-7-3.1 for information about children with disabilities.

3. It is preferable for the client to provide a written statement from the employer, school, or training facility that is signed and dated verifying the days and hours the parent or caretaker meets a need factor. If a written statement is unavailable, the worker can verify this information by phone contact with the employer, school, or training facility. The worker must clearly document who he or she spoke with and what was verified in the Family Assistance/Client Services (FACS) Case Notes.

4. (a) The amount of travel time approved varies depending on what is reasonable for the client. The worker asks the client how much time it takes to get to the work or training activity after dropping the child off at child care and then how long it takes to get from the work or training activity to the child care facility. If extra care is approved because the client must ride with another person whose schedule varies from the client or the client lives a long distance from his or her job, the worker documents this in Case Notes.

(b) To help determine the appropriate unit type, the worker can use the Appendix C-4-C, Unit Type Chart for Child Care Authorizations.

(1) The worker approves a full-time daily unit type when care is needed more than four hours every day authorized for fewer than 15 days per month or more than 23 days per month.

(2) The worker approves a part-time daily unit type when care is needed for four hours or fewer every day authorized.

(3) The worker approves a combination of full-time and part-time unit types when care is needed more than four hours for some of the days and four hours or fewer other days. If the child is four years or older, the worker first determines whether the child qualifies for a blended unit type before approving a combination of full-time and part-time unit types.

(4) Child care authorized with a weekly unit type is paid at a full-time daily or part-time daily rate for the days the child attends care. An absent day payment may be made to the child care provider for days the child does not attend care only if the child attends the minimum number of days required in the month to qualify. See Oklahoma Department of Human Services (OKDHS) Appendix C-4-B, Child Care Provider Rate Schedule, to determine

the minimum number of days a child must attend to qualify for an absent day payment and the maximum number of days OKDHS pays the provider.

(A) The worker approves child care with a weekly unit type when the client needs child care more than four hours each day and at least 15 days and no more than 23 days per month. The client can require care for any of the need factors shown at OAC 340:40-7-7.

(B) Child care is not approved with a weekly unit type when:

(i) the same child uses two different child care providers;

(ii) any of the care needed is part-time;

(iii) the need for child care is fewer than 15 days per month or more than 23 days per month; or

(iv) the child is using an in-home child care provider.

(C) See OAC 340:40-10-4 for more information about how authorizations approved with a weekly unit type are paid.

(5) The worker approves a blended unit type for children age four and older when care is needed Monday through Friday part-time for the days school is in session and full-time for school holidays. The rate established by OKDHS for a blended unit type is higher than for a part-time unit type and lower than a full-time unit type. It is based on information from the Department of Education regarding the number of full-time and part-time days the child should need care. OKDHS has established two blended unit types, traditional and extended school year. The worker must determine which blended unit type is appropriate.

(A) The worker approves the traditional school year blended unit type when the child attends a school with a traditional nine-month school calendar.

(i) This unit type pays the blended rate from August 16 through May 15th of each year.

(ii) During the summer months, if the child continues to attend the same child care facility, the provider is paid the full-time daily rate

with an absent day payment if applicable.

(iii) The IMS system continues to show 23 B during the summer but for payment purposes the electronic benefit transfer (EBT) system shows a weekly unit type.

(iv) If a weekly unit type is not appropriate for the summer because the child does not require full-time care at least 15 days and no more than 23 days per month, the worker changes the unit type to match the needs of the child or closes the authorization if care is not needed.

(B) The worker approves the extended school year blended unit type when the child attends school year around. Authorizations coded with the extended school year blended unit type receive the extended school year rate for the entire calendar year.

(C) A blended unit type is not appropriate when:

(i) the child requires more full-time care days in addition to school holidays during the school year;

(ii) the child does not need care for school holidays;

(iii) the child uses a different provider for school holidays;

(iv) the facility is not open on school holidays;

(v) only part-time care is needed;

(vi) more than one child care provider is needed for the child; or

(vii) the child qualifies for a special needs or in-home child care rate.

(6) Care may only be authorized at one facility per day per child. When the client advises the worker that he or she plans to use two different providers for the same child, the worker determines what days of the week care is needed at each provider. If care is needed on different days, the worker can authorize care at both providers. The total number of units or days authorized for both providers may not exceed the maximum that would be authorized if care were only needed at one provider. For

example, the client wishes to use one provider three days per week and another provider two days per week. In this instance, the maximum number of days the worker approves care totals 23 days per month.

(7) A child care plan is normally not approved to cover an entire 24-hour calendar day. If, due to the nature of the parent or caretaker's work, he or she must leave the child in child care over 24 hours on an occasional basis, the worker may authorize care after receiving approval from the Family Support Services Division (FSSD) Child Care Subsidy Section.

5. The purpose of discussing alternative care with the client is to help the client consider other possibilities to purchased care that might be more suitable for the child. If there is another adult living in the home who is not a spouse or a natural or adoptive parent of the child, he or she can refuse to care for the child. OAC 340:40-7-8(e) contains information on preventive or protective child care if the client does not want a spouse to care for the child.
6. (a) Programs receiving federal grant funds, such as Head Start or Early Head Start, and public schools receiving state funds for education may receive subsidy funds only if offering extended day services.

(1) Extended day means care is provided beyond the hours covered by other state or federal funds. For example, if a Head Start program's hours are defined between 8:00 a.m. to 2:00 p.m. daily, the provider must also be open before or after these hours in order to qualify for a subsidy payment.

(2) Head Start, Early Head Start, kindergarten, or pre-kindergarten programs must only charge the Child Care Subsidy Program for the hours not covered by their federal grant or state funds.

(3) The worker may approve a full-time or part-time unit type depending on the parent's schedule and the number of subsidy hours needed.

(b) If there is a tribal child care program in the county for which the client might qualify, the worker asks the client if he or she is receiving subsidized child care benefits from the tribe.

(1) The client cannot receive benefits from both the tribe and OKDHS for the same service.

(2) When the client needs child care for different services, it is acceptable

for the tribe to cover the cost of one service while OKDHS pays for the other service. An example of this would be when the client works and goes to school. If the tribe pays the cost of child care while the client works, the client could be approved for benefits through OKDHS for the hours he or she attends school.

(3) If the client chooses to receive OKDHS subsidized child care, the same rules governing other clients apply to this client as well.

(4) The child care provider may not file a claim with both OKDHS and the tribe for the same service.

- 7. The worker may talk to the client about how to get a raise in pay at work or how to look for another job with better earning potential, how to increase the client's job skills, or discuss whether the client might be eligible for other money or benefits such as child support, Social Security benefits, Supplemental Security Income, unemployment benefits, or veteran's benefits. The worker refers the client to other agencies for help when appropriate. Possible referral sources include:**

(1) the Oklahoma Employment Security Commission;

(2) Workforce Investment Act (WIA) contracted entity;

(3) Workforce Oklahoma Centers;

(4) the local technology center;

(5) community college;

(6) Social Security Administration; or

(7) the Department of Veterans Affairs.

- 8. Helping a client plan in advance for emergencies when a child cannot go to child care may help a client keep a job. The worker brainstorms with the client for possible alternatives. These might include available relatives, friends, or neighbors or the client may discuss other alternatives with his or her employer.**

- 9. If the client chooses to use a provider that he or she is related to, the worker**

must check the "relative indicator" field on the Auth. Daycare tab in FACS.

10. See OAC 340:40-13-1 for information regarding out-of-home and in-home child care arrangements. Information the worker gives the client to help make this choice includes:

(1) the name and address of the area Child Care Resource and Referral agency for the county. This information is listed in the pamphlet, "Your Child Care Resource for Services and Information," OKDHS Pub. No. 98-09;

(2) a list of contracted providers. The worker obtains a list by searching the Child Care Locator database available on the InfoNet under OKDHS Tools. The worker prints a list of all one plus, two, and three star child care centers and all child care homes that meet the client's search criteria. If there are no one plus, two, or three star centers in the community, the list includes the one star centers;

(3) how to request case summaries of potential providers from the Oklahoma Child Care Services (OCCS) licensing staff or how to make an appointment to look at the licensing files;

(4) explaining to the client that the "Star" status of a facility is an indicator that the facility meets additional quality criteria. The worker advises the client that care is not approved at a one star child care center unless there are no one plus, two, or three star centers in the community or the exception criteria described at OAC 340:40-5-1(7)(C)(viii) is met and the worker's supervisor or county director approves an exception. The client may choose a family child care home regardless of the star level. OAC 340:110-1-8.3 describes how a provider is certified for the different star levels.

(A) To be certified as a one star plus program, the provider must meet additional quality criteria that includes: additional training, reading to children daily, and parent involvement.

(B) To be certified as a two star program, the provider must be nationally accredited or meet the one star plus criteria, employ master teachers who meet additional educational requirements, and include program evaluation.

(C) To be certified as a three star program, the provider must meet all

two star quality criteria and be nationally accredited;

(5) giving the client all or some of the pamphlets OCCS Licensing produces to help clients choose quality care. They are:

(A) "Reaching for the Stars," OKDHS Pub. No. 01-18;

(B) "Your Child Care Resource for Services and Information," OKDHS Pub. No. 98-09;

(C) "The Parent's Guide to Selecting Quality Child Care," OKDHS Pub. No. 87-91; and

(D) "Paying for Child Care Just Got Easier," OKDHS Pub. No. 02-06; and

(6) encouraging the client to watch the video, "Choosing Quality Child Care."

11. The worker sends an e-mail to daycare@okdhs.org requesting approval to allow the client to choose a home in which the client also works during the hours his or her child is in care. The worker must include why the client is unable to use a different child care provider.

12. (a) A child receiving home schooling must receive this instruction from his or her own parent or caretaker except for the time a tutor might be hired.

(b) A child care provider cannot be approved to provide child care in order to home school someone else's child.

(c) The parent or caretaker cannot be approved for child care for a school age child during the hours public or private school is in session during work or school hours because he or she wants to home school his or her child during the evening.

(d) School age is defined as a child enrolled in the first through 12th grade.

(e) Exception: a provider can be approved to provide child care for a school age child with disabilities during the hours public or private school is in session if the child receives shortened day services from the local school system. Care can also be approved if a child is suspended or expelled from school and the school system verifies there is no other educational alternative

available to the child.

13. The school break can be due to the parent's or the child's school schedule.

14.(a) Exceptions can be granted on a case-by-case basis by the supervisor or county director. Prior to granting an exception, the worker gives the parent or caretaker a list of contracted one plus, two, and three star centers and, if the client wants to use a child care home, all contracted child care homes that meet the client's search criteria. The client is not required to choose a one star plus, two star, or three star child care home before considering a one star center if the client states he or she does not want to use a child care home.

(1) If there are no one star plus, two, or three star centers in the community, the list includes one star centers and an exception is not required.

(2) The worker uses Child Care Locator, available on the InfoNet under OKDHS Tools, to generate this list.

(3) The worker instructs the parent or caretaker to contact all providers on the Child Care Locator list to see if care is available during the hours needed. The client notes on the list why care is not available at any of these locations or why they did not meet the client's needs.

(4) If the client does not find care from the providers on the list, the supervisor or county director reviews the client's notes on this list to determine whether to grant an exception. The supervisor or county director documents in FACS Case Notes whether an exception was granted and why.

(5) Exceptions may be granted when none of the providers on the client's list:

(A) have an opening during the times care is needed. For example, the client works during the evening or overnight and no one else provides care during those hours;

(B) are willing to meet the special needs of the child. For example, the other providers are unable to meet the needs of a child with disabilities or provide transportation to and from the child's school; or

(C) are within a reasonable distance from the parent or caretaker's home because of transportation issues.

(b) When the supervisor or county director agrees that an exception is warranted under (a) of this Instruction, the worker gives the parent or guardian a list of one star center providers. If the client then finds a one star center that meets the family's needs, care can be approved at that facility.

15.(a) In the Household tab in FACS, the worker chooses "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 to add only the child being approved for child care. All other household members are shown as "not included in benefit. Income and resources are considered in benefit computation" in the "status" field F25. The family share co-payment is calculated by the system based on information shown in the Household and Income tabs of FACS and the "number of children receiving child care" field E52 and is shown in the "Family Co-pay" field E53 in the Child Care tab. The system maps this family share co-payment to the "co-pay" field K70 of the authorization section when a change action is entered in the Child Care tab. The family share co-payment is never prorated.

(b) Children who are exempted from co-pay or have no income considered for the child care benefit and those who are not exempted must be authorized for child care in separate case records because the system does not correctly calculate the co-payment when care is authorized in the same case record. The worker must document in FACS Case Notes why two case records must be established and what income is being considered or excluded in each case. Examples of situations when this may occur are described in paragraphs (1) through (4).

(1) When a family requests child care for a child who receives Supplemental Security Income (SSI) and is predetermined eligible with a zero co-payment as defined at OAC 340:40-7-1 and for another child who is not exempt from co-payment, two separate cases are created so household income is not considered for the child receiving SSI.

(2) When a family requests child care for a child receiving Temporary Assistance for Needy Families (TANF) and for a sibling who is not receiving TANF, the child receiving TANF is approved in one case with a zero co-payment and household income is considered in the other case for the sibling.

(3) When an adoptive parent requests child care for a child who meets all five of the conditions described in OAC 340:40-7-12(6) and is eligible for a zero co-payment and for the child's sibling who does not meet these conditions, two case records must be established.

(4) When a client applies for child care benefits for a child for whom the client is not legally and financially responsible, the income of the client is not considered and the child will have a zero co-payment. When there are also children in the household that the client is legally and financially responsible for that require child care, their benefits must be authorized on a separate case as income is considered.

(c) The family share co-payment is assigned to one provider per case. When more than one provider is used by the family, the worker must determine which provider gives the most costly care to the family. The worker must use OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, to determine the daily rate for each child based on that child's service plan. The worker adds up the monthly cost of care per child and then per provider. The worker assigns the family share co-payment to the provider giving the care that results in highest total cost.

(1) The worker chooses N for non-exempt in the "co-pay exempt" field K78 of the Auth. Daycare tab for each authorization approved for the provider giving the most costly care to the family.

(2) For all other providers, the worker chooses S for second provider in field K78 "co-pay exempt."

(3) The system maps the entire family share co-payment to each child's authorization where the "co-pay exempt" field is marked N and maps a zero co-payment to each authorization marked S in the "co-pay exempt" field.

(4) The authorization(s) for the non-exempt provider must be open on the system without edits before the worker enters the authorization(s) for the provider exempted from co-pay. If the worker tries to enter both authorizations at the same time, the authorization coded S in K78 edits as it cannot find an open authorization for another provider.

(d) If a child's authorization is closed or opened, the family share co-payment is recalculated by the system after the worker enters a change action in the Child Care tab and enters the correct number of children in the "children in

daycare" field E52. The system maps the family share co-payment to each open authorization and generates a notice to the client. See OAC 340:40-9-2(b) and Instructions to Staff (ITS) 4 for more information about adding children and OAC 340:40-9-2(c) and ITS 5(a)(2) for more information about removing children.

(e) The entire monthly family share co-payment appears on the tape from the point-of-service (POS) machine each time the client swipes attendance at the child care facility. The only time the amount of co-pay showing on the tape changes is when the worker reduces the family share co-payment for that month.

(f) When a child is removed from licensed child care, the worker assesses whether that child's current care arrangement places the child at risk of abuse, neglect, or exploitation. A referral is made to Child Welfare (CW) if appropriate.

(g) See OAC 340:40-7-11(c)(5) for information on handling court-ordered child care payments.

(h) See OAC 340:40-9-2(e) for information regarding calculation of the family share co-payment when the client changes child care providers.

16. Each HSC has a list of community resources that can be given to a client to help meet social services needs. The worker checks to ensure the identified agency can help before sending the client to that agency. When information is requested to prevent domestic violence or child abuse, the worker determines whether to complete a referral to CW on Form 08MP013E, Information/Referral – Social Services. If questions arise that the worker is unsure how to handle regarding this or any other social service needs mentioned by a client, the worker seeks the help of his or her supervisor, if available, or other HSC staff.
17. The applicant may request a fair hearing because of actions taken on a child care request as well as a child care application.
18. There are providers who require that all children be in attendance by a certain time every morning, for instance 9:00 a.m., regardless of the client's work or school schedule. Reasons given by the provider may include limiting disruptions to program content, so all children can participate fully in the quality content of the child care program, or to reduce transportation costs for the provider. If based on the client's work or school schedule care is not

needed until 11:00 a.m., the client swipes attendance by entering a previous in for 11:00 a.m. on the point-of-service (POS) machine when the child is picked up at the end of the day. The provider must not charge the client for the additional two hours of care. If the client chooses to drop the child off at the child care provider earlier than the approved plan of service hours or leaves the child later for personal reasons, the provider can charge the client for those additional hours.

19. The worker emphasizes to the client the importance of checking for an approval message on the POS machine and to report any pending or denied messages to his or her worker immediately. The video the client must watch emphasizes this responsibility. See OKDHS Appendix C-4-B for information about weekly unit types and absent day payments. See OAC 340:40-10 for more information about EBT.
20. See OAC 340:40-13-5(g) for a list of contract violations by a provider.

340:40-7-1. Categories of eligibilityRevised 10-1-09

A person may be predetermined eligible for a child care benefit, determined income eligible based on the gross income of the household, or have dual eligibility with his or her tribe.

(1) **Predetermined eligible.** A person is predetermined eligible for a child care benefit with a zero co-payment when he or she is a recipient of public assistance or Supplemental Security Income (SSI). Public assistance is defined as a State Supplemental Payment, Temporary Assistance for Needy Families (TANF) that includes Supported Permanency or Refugee Resettlement Program (RRP) cash assistance. ■ 1

(A) All TANF recipients who work and are eligible for a child care benefit can choose to receive a child care benefit through the Oklahoma Department of Human Services (OKDHS) while they work or choose to pay for the child care themselves. If they choose to pay for the child care cost themselves, it can be considered as an earned income exemption for the TANF benefit. ■ 2

(B) Exceptions to a person being eligible with a zero co-payment when he or she receives public assistance or SSI include when:

(i) the recipient is a child and the parent or guardian requesting the benefit for the child is not the payee on the public assistance or SSI payment; or ■ 3

(ii) it makes a difference in whether other children in the household are income eligible for child care. ■ 4

(2) **Income eligible.** Households who are not predetermined eligible for a child care benefit must meet income eligibility guidelines shown on OKDHS Appendix C-4, Child Care Eligibility/Co-payment Chart, for their household size, to receive assistance with child care costs. ■ 5

(3) **Transitional child care.** Per Section 230.61 of Title 56 of the Oklahoma Statutes, a TANF recipient who becomes employed is eligible for transitional child care benefits for 24 months following the date of employment as long as he or she meets income eligibility guidelines on OKDHS Appendix C-4 for his or her household size unless the:

(A) employer provides child care benefits; or

(B) monthly salary received from the employer exceeds the monthly allowance of assistance pursuant to the TANF program plus the cost of child care and medical insurance to which the recipient would be entitled. ■ 6

(4) TANF families in the Work Supplementation Program. TANF families in the Work Supplementation Program are considered income eligible families and must meet income eligibility guidelines shown on OKDHS Appendix C-4 for their household size, to receive assistance with child care costs. ■ 7

(5) Dual eligibility. A person may have dual eligibility for both the Child Care Subsidy Program through OKDHS and through his or her tribe. The child care provider may not receive payment for the same service from both programs simultaneously. ■ 8

INSTRUCTIONS TO STAFF 340:40-7-1

Revised 10-1-09

1. (a) Supplemental Security Income (SSI) is a means tested program administered by the Social Security Administration.

(b) When the child is predetermined eligible, he or she meets income eligibility requirements. The child must also meet all other conditions of eligibility defined in this Subchapter before subsidized child care is approved.

(c) Refer to OAC 340:10-22-1 for information about the Supported Permanency Program, OAC 340:15 for information about the State Supplemental Payment, and OAC 340:60 for information about the Refugee Resettlement Program.

(d) Enter information regarding eligibility in the Family Assistance/Client Services (FACS) Interview Notebook under the Household and Income tabs.

2. (a) The worker informs the client of the right to choose child care either as a Temporary Assistance for Needy Families (TANF) deduction or as a child care benefit.

(1) The worker explains to the client if he or she chooses to change from receiving subsidized child care to child care as an earned income exemption, the client must actually pay the child care expense out-of-pocket for one month.

(2) If the choice is to terminate subsidized child care and begin child care as an earned income exemption, the closure of subsidized care must meet notification requirements listed in OAC 340:40-9.

(b) A TANF recipient is never approved for Child Care and Development Fund subsidized child care and have child care considered as an earned income exemption during the same month. When a recipient is discovered to have received both kinds of child care during the same month for the same child, overpayment procedures in OAC 340:40-15 are followed.

- 3. If someone other than the parent or guardian who is receiving the TANF benefit for the child or who is the payee for the child's SSI payment requests child care for the child, as is the case in some joint custody households, the child is not predetermined eligible for a zero co-payment in that household. The child's eligibility for the child care benefit is based on the countable income in the other household.**
- 4. For example, household income can be \$2,425 if the client is approved for two children in care. Household income for one child in care is \$1,950. If the client has one child receiving SSI and one child who is not and the household income is \$2,400, it is better for the client to be approved for both children in the same case with a family share co-payment than to receive a zero co-payment for the child receiving SSI and to not be eligible for the other child. If this situation occurs and the family has more than one child receiving SSI, all children must be included on the same case. The family cannot choose to put one of the children on the case with the co-payment and the others on their own cases with zero co-payments.**
- 5. See Oklahoma Department of Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Co-payment Chart, for income eligibility guidelines and OAC 340:40-7-11 for types of income considered. Document income eligibility in the FACS Interview Notebook under the Household and Income tabs.**
- 6. A former TANF recipient must still meet the income guidelines listed on OKDHS Appendix C-4 to receive a child care benefit. The TANF worker is required to advise the client of his or her potential eligibility for a child care benefit and to document the offer in the case narrative or in FACS Case Notes. When it is determined the client does not meet the eligibility guidelines for subsidized child care, the worker provides resources and referral information. If child care is not needed, the narrative also reflects what alternative to subsidized child care is utilized. The worker provides all families who receive**

earned income information about the Earned Income Credit and the Child Tax Credit and how to apply for these credits.

7. See OKDHS Appendix C-4 for income eligibility guidelines and OAC 340:40-7-11 for types of income considered. This is the only group of active TANF recipient families who are expected to help pay for subsidized child care. It is essential the worker counsel with families who must make family share co-payments to ensure they understand how much they must pay. Realistically, these families are a step closer to the goal of assuming the total cost of child care. While working with families, the worker includes this goal as part of the overall service plan.
8. If there is a tribal child care program in the county for which the client might qualify, the worker asks the client if he or she is receiving subsidized child care from this program. If the client chooses to receive OKDHS subsidized child care, the same rules governing other clients apply to this client as well. The child care provider may not file a claim with both OKDHS and the tribe.

340:40-7-6. Household composition and income consideration

Revised 6-1-09

(a) **Definition of household composition terms.** The worker determines household composition for income considerations using the definition of terms listed in (1) through (9) of this subsection.

(1) An adult is an emancipated minor or person 18 years of age or older. A child who is also a parent is considered an adult.

(2) A spouse is a person married by ceremony or common-law to another person. They can be living together or separately. If they are living separately, they are considered part of the household if the separation is temporary with no intention of severing the marital relationship or the separation is involuntary.

(3) A stepparent is a person who is a spouse or has been a spouse to the child's parent.

(4) A caretaker is an adult that the child is living with who is acting in the role of a parent. This person may or may not be related to the child by blood, adoption, or marriage and may or may not be legally and financially responsible for the child. The caretaker must pursue child support from the natural or adoptive parent in accordance with OAC 340:40-7-9.

(5) A non-relative adult is defined as any person over 18 years of age or an emancipated minor who is not related to the parent or caretaker by blood, adoption, or marriage.

(6) The term legally and financially responsible adult is defined as a parent or stepparent of the child for whom child care is needed. The term also includes other caretaker adults who are court-ordered to be legally and financially responsible for the child.

(7) A child is any unmarried, unemancipated, non-parental person under 18 years of age.

(8) A child who has married or voluntarily left the parental home for any reason and established independent living arrangements, other than being away from home for school or health reasons, is considered emancipated and treated as an adult. Once a child is emancipated, the emancipation is permanent.

(9) A sibling is a minor child who has at least one parent in common with another child in the same household. This definition of a sibling also includes a step-brother or step-sister.

(b) **Household composition and income consideration.** To establish a child's eligibility for subsidized child care benefits, it is necessary to define who must be considered part of household composition for income consideration. ■ 1 Persons whose income must be considered in determining eligibility are:

(1) the natural, adoptive, or stepparent of the child who lives in the home and for whom child care is needed; ■ 2

(2) the caretaker(s) of the minor child who needs child care if that caretaker is legally and financially responsible for the child; ■ 3

(3) the child for whom child care is requested and his or her siblings under 18 who live in the home; ■ 4

(4) any non-relative adult of the opposite sex who is living in the home with the natural or adoptive parent; and ■ 5

(5) any child of the non-relative adult of the opposite sex who is living in the home with the natural or adoptive parent. ■ 6

(c) **Periods of absence.**

(1) When a household member is out of the home due to a temporary absence, he or she is still considered a household member as long as he or she plans to return to the home. ■ 7 Examples of temporary absence include:

(A) a hospitalization for physical or mental health reasons;

(B) incarceration; ■ 8

(C) attending school;

(D) military service; ■ 9

(E) working or training away from home; ■ 10

(F) looking for a job away from home. See OAC 340:40-7-8(a)(6); ■ 10 and

(G) vacation time for a child. ■ 11

(2) If a child lives with each parent for part of the month, see (d) in this Section.

(3) If a child lives with a parent for part of the month and a caretaker for the rest of the month, the child's eligibility is based on whether the parent meets the eligibility factors in accordance with OAC 340:40-7. The caretaker must also meet a need factor in accordance with OAC 340:40-7-7 during the time he or she has physical custody of the child. ■ 12

(d) **Joint or shared custody.** When parents separate or divorce and share custody of their child, either voluntarily or through a court order, the worker considers each parent's eligibility separately as well as his or her income. If only one parent qualifies for subsidized child care benefits, only the days and hours of care needed while that parent has physical custody of the child is approved. If both parents qualify for subsidized child care benefits, each parent is approved only for the days and hours that parent has physical custody and meets a need factor. ■ 13

INSTRUCTIONS TO STAFF 340:40-7-6

Revised 10-1-09

1. (a) **See OAC 340:40-7-10 through 340:40-7-13 for information on considering income for persons who must be included in the household.**

(b) **If a child is living with a parent for part of each month and with a caretaker for the remainder of the month, only one case is established for the child. See (c) of this Section and Instructions to Staff # 7.**

(c) **In the Household tab in Family Assistance/Client Services (FACS), the worker chooses "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 to add only the children being approved for child care. All other household members are shown as "not included in benefit. Income and resources are considered in benefit computation" in the "status" field F25.**

(d) **If some children living in the household are exempt from co-payment in accordance with OAC 340:40-7-1 and others are not, two separate cases must be established in order for the system to calculate the family share co-payment correctly.**

(e) When an adoptive parent requests child care for a child who meets all five

of the conditions described in OAC 340:40-7-12(6) and other children who do not meet these conditions, two separate cases must be established in order for the system to calculate the family share co-payment correctly. The worker must document in FACS Case Notes why two case records must be established and why income is being considered or excluded in each case.

(f) Household composition is handled differently for other programs. See OAC 340:50-5-1 for food benefits, OAC 340:10-3-56 through 340:10-3-57 for Temporary Assistance for Needy Families (TANF), and OAC 317:35-5 through 317:35-7 for medical assistance.

2. (a) When the parent is a minor parent, the minor parent's income must be considered in determining the family share co-payment. If the minor parent lives with his or her parent, neither the grandparent's income nor his or her need factor is considered for the grandchild.

(b) The adoptive parent's income is not considered until the adoption is final. When the adoption is final and the natural parent whose rights have been terminated and the adoptive parent live in the same household, consider only the income and need factor of the adoptive parent.

(1) Household income is not considered in determining the adoptive child's eligibility for subsidized child care when all five conditions described in OAC 340:40-7-12(6) are met.

(2) The worker must document in FACS Case Notes why the income is being excluded.

(3) When the household requests child care for a child who meets all five conditions described in OAC 340:40-7-12(6) and one who does not meet these conditions, the worker must set up separate cases.

(c) If the child's natural or adoptive parent is not in the home but the child continues to live with a stepparent, the stepparent's income is considered in determining the child's eligibility. This applies even if the stepparent is divorced from the child's natural or adoptive parent.

3. A court order must state that the caretaker is legally and financially responsible for the child before the caretaker's income is considered. If the child's own parent lives in the home with the child, count the own parent's income instead of the caretaker's income.

4. (a) A child's income must be considered unless specifically excluded in OAC 340:40-7-12.

(b) If child care is needed and one sibling is predetermined eligible for child care with a zero co-payment, two separate cases must be set up. This can happen when one child is disabled and receives Supplemental Security Income (SSI) or when there is a stepparent in the home and the client's child receives TANF but the stepparent's child does not.

(1) In the predetermined eligible case, the predetermined child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25.

(2) In the income eligible case, the income eligible child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25. All other household members' income is shown in the Income tab, including the SSI or TANF income, and these household members are added to "social services" in the "benefit" field F24 and "income/resources are considered in benefit computation – individual not included" in the "status" field F25. Only the child approved for subsidized child care benefits in the income eligible case is shown in the "number of children in child care" field E52 of the Child Care tab.

(c) When the household consists of the client's own child and another child such as a niece, nephew, or grandchild the adult is not legally and financially responsible for, the worker first determines which children require child care assistance.

(1) If child care is needed for both the client's child and any other child, the worker sets up two separate cases unless combining the households results in a lower family share co-payment. The client's income and his or her own child's income is considered in the case for the client's child. Only consider the income of any other child in the case set up for him or her.

(2) If child care is needed only for the client's own child, the worker counts the income of the parent and his or her own child. The worker does not count the income of the other child unless including that child in household size and his or her income reduces the family share co-payment for the household.

- (3) If child care is only needed for another child that the adult is not legally and financially responsible for, the worker only counts the income of that child and any siblings not requiring subsidized child care benefits. Household size includes these children only.**
- 5. (a) If the natural or adoptive parent is living with a couple, the couple's income is not considered available to the child care household. If more than one non-relative adult of the opposite sex is living in the home, all of their income is considered. The only exception to this is if the client lives in a shelter.**
- (b) Non-relative adults of the opposite sex do not have to meet a need factor. They are not required to be an alternative caregiver if they do not meet a need factor. See OAC 340:40-5-1(4) for information on who must be an alternative caregiver.**
- 6. (a) All persons whose income is counted in determining the family share co-payment are included to determine whether to use a family size of five members or less or for six or more members on OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule.**
- (b) When a male and female live together and each have their own child living in the household who needs subsidized child care benefits, one case record is established for the household. If they are not married to each other, the worker uses the single parent need factor policy for each per OAC 340:40-7-7(b).**
- (c) Child support must be pursued on any child of a non-relative adult of the opposite sex living in the home in accordance with OAC 340:40-7-9(a).**
- 7. (a) There is no set length of time established to determine if a household member's absence is temporary. The key is whether the rest of the household considers the absence to be temporary.**
- (b) If a parent is temporarily absent, child support forms are not completed. Instead, that parent must meet a need factor in accordance with OAC 340:40-7-7 and 340:40-7-8.**
- (c) If the household states a parent is not temporarily absent, child support is pursued from that parent in accordance with OAC 340:40-7-9.**

- (d) If a child is left with a caretaker due to the absence of a parent, the benefits remain on the parent's case as long as the caretaker provides a statement from the parent giving the caretaker authorized representative rights. [See OAC 340:40-3-1] If the caretaker cannot provide this statement, he or she needs to apply on his or her own case and child support forms must be completed.
8. When a parent is absent due to incarceration, the other parent or caretaker must provide verification of such incarceration. Verification may be obtained through the Department of Corrections or from the jail or prison where the parent is serving their sentence. If verification is not provided, the parent or caretaker must fill out child support paperwork on the absent parent. If the child is with a caretaker, see Instructions to Staff (ITS) #7.
 9. When a parent is absent due to military service, use his or her total gross income, not just the dependent allowance, to calculate the family share co-payment. This applies to single parents who give temporary custody of their child to a caretaker while they are away from home and to two-parent households where only one of the parents is temporarily away from home.
 10. When one or both parents are working or looking for work out-of-town, his and/or her income is considered in determining the household's eligibility. He or she must also meet a need factor described in OAC 340:40-7-7 in order for child care to be approved. If one parent or caretaker works part-time out-of-town and the other parent or caretaker works full-time, child care can only be approved on a part-time basis.
 11. When a child goes to stay with someone other than a natural or adoptive parent for a vacation, household composition, income, and need is based on the usual home situation. The person the child is staying with must also meet the need factor for child care. When the child is staying with a non-custodial natural or adoptive parent, that parent must apply for subsidized child care benefits for that time frame based on his or her own household's eligibility.
 12. When a child lives with one or both of his or her parents for part of the month and with a caretaker for the rest of the month, the child is considered temporarily absent from the parent while he or she lives with the caretaker. One case is established for the parent and the caretaker is shown as the authorized representative for the subsidized child care benefits on the parent's case. The worker may approve different child care plan hours for the time the child lives with the parent than when he or she lives with the

caretaker if their work or school schedules are different.

13. When both parents qualify for subsidized child care benefits, establish two separate cases. Each parent must meet the need factor while that parent has physical custody of the child. The maximum amount of child care approved in both cases combined is never more than 31 days per month. Neither case qualifies for the weekly unit type. See OAC 340:40-7-7 and 340:40-7-8 for more information concerning the need factor for child care.

340:40-7-11. Sources of income consideredRevised 10-1-09

(a) **Sources of income considered.** Income may be received periodically or at irregular intervals. All income, unless specifically excluded in OAC 340:40-7-12, is considered in determining monthly gross income. Income is classified as earned or unearned income. Gross income is treated the same for both types of income. ■ 1

(b) **Earned income.** Earned income means total money earned by a person through the receipt of wages, salary, commission, or profit from activities in which the person is engaged as self-employed or as an employee. ■ 2

(1) **Wages.** Wages include total money received for work performed as an employee including armed forces pay, commissions, tips, piece-rate payments, longevity payments, and cash bonuses before any deductions are made such as taxes, bonds, pensions, union dues, credit union payments, and cafeteria plans. ■ 3

(A) Only the portion of the cafeteria plan the client controls is counted as income. ■ 4

(B) Reimbursements for expenses such as a uniform allowance or transportation costs, other than daily commuting, are subtracted from gross income.

(C) Payments made for annual leave, sick leave, or severance pay are considered as earned income during the month such income is received whether paid during employment or at termination of employment.

(D) Wages that are garnished or diverted and paid to a third party are also counted as income.

(2) **Self-employment.** Earnings derived from a business enterprise owned solely or in part by the person are considered as self-employment income. Self-employment income for households declaring business expenses is determined by calculating total gross receipts or sales and subtracting 50% of the gross income to arrive at the net profit. Alternatively, the net business profit for the most recent tax year can be used as reported on the person's income tax return. ■ 5

(A) **Profit sharing.** Households who operate S corporations, general or limited partnerships, or limited liability companies may receive profit sharing that is reported on the household's personal income tax return. When a household

member:

- (i) actively participates in the operations, the income from profit sharing is considered part of the household's self-employed earned income; or
- (ii) does not actively participate in the operations, the income from profit sharing is considered part of the household's unearned income.

(B) Monthly self-employment income. Self-employment income received on a monthly basis is normally averaged over a 12-month period. If the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in income, the worker calculates the self-employment income based on anticipated earnings. ■ 6

(C) Seasonal self-employment. Self-employment income intended to meet the household's needs for only part of the year is averaged over the period of time it is intended to cover. ■ 7

(D) Annualized self-employment income. Self-employment income that represents a household's annual support is averaged over a 12-month period, even if the income is received in a short period of time. If the averaged amount does not accurately reflect the person's actual monthly circumstances because the person has experienced a substantial increase or decrease in income, self-employment income is based on anticipated earnings. ■ 6

(E) Income from rental property. Income from rental property is considered income from self-employment. ■ 8

(F) Income from room and board. Payments from roomers or boarders are considered self-employment if the roomer or boarder is paying a reasonable amount. If the roomer or boarder is a non-relative adult of the opposite sex, OAC 340:40-7-6(b)(4) applies. ■ 9

(3) On-the-job training. Earned income from regular employment for on-the-job training is considered as any other earned income.

(4) Workforce Investment Act (WIA). Income earned in on-the-job training positions provided under Section 134 of WIA is considered earned income for persons who are 19 years of age and older. On-the-job training provided must be full-time positions, and there must be a contract between WIA and the employer for each individual position. This does not include classroom training and institutional

training or intern assignments sponsored by WIA, even when an hourly amount is paid for such training.

(5) **Title I payments of Domestic Volunteer Services Act.** Payments under Title I of the Domestic Volunteer Services Act of 1973 as amended [P.L. 93-113] are considered income unless they are excluded under OAC 340:40-7-12.

(6) **Earnings of children.** Earned income of a minor parent is treated as adult earned income. Earnings of other children 17 years of age and younger who are under the parental control of an adult household member are excluded per OAC 340:40-7-12. ■ 10

(c) **Unearned income.** Unearned income is income a person receives for which the person does not put forth any daily, physical labor. Types of income listed in paragraphs (1) through (10) of this subsection are considered unearned income. ■ 11

(1) **Assistance payments.** Assistance payments include state means tested programs, such as Temporary Assistance for Needy Families (TANF), including Supported Permanency benefits, State Supplemental Payment (SSP) to the aged, blind, or disabled, and Refugee Resettlement Program (RRP) cash assistance. ■ 12

(2) **Pensions, disability, and Social Security benefits.** Annuities, pensions, retirement benefits, disability benefits from either government or private sources, or Social Security survivor benefits are considered unearned income.

(3) **Supplemental Security Income (SSI).** SSI is considered unearned income. ■ 13

(4) **Unemployment and workers' compensation.** Income from unemployment insurance benefits or workers' compensation is counted as unearned income.

(5) **Child support, court-ordered or third party paid child care, and alimony.** Child support, child care payments, and alimony payments, whether court-ordered or voluntary, that are made directly to the household from non-household members are counted as unearned income. ■ 14

(A) If a child care payment is paid directly to the child care provider, it is not considered income for the client.

(B) When the absent parent reports he or she is paying a portion of the client's family share co-payment to the child care provider, the only action taken by the

worker is to record this in the case record.

(C) If the absent parent or another third party, such as an employer, is making a payment to the provider in addition to the client's co-payment, it is considered as an additional co-payment that must be met before OKDHS makes a subsidy payment to the provider. ■ 15

(D) Any other payment made to a third party for a household expense must be considered as income when a court order directs that the payment be made to the household. Payments for medical support are excluded.

(6) **Veterans compensation, pensions, or military allotments.** Annuities, pensions, disability compensation, military allotments, servicemen dependent allowances, and similar payments are considered unearned income. ■ 16

(7) **Contributions.** Appreciable contributions recurrently received in cash are considered unearned income except when the contribution is not made directly to the recipient. To be appreciable, a contribution must exceed \$30 per calendar quarter per person.

(8) **Dividends, interest, minerals, and royalties.** Dividends, interest income, income from minerals, royalties, and similar sources are considered unearned income. When income from these sources is received irregularly or in varied amounts, it is averaged over 12 months. Income from royalties is treated as unearned, self-employment income, subject to (b)(2) of this Section.

(9) **Lump sum payments.** Non-recurring lump sum payments from a countable income source are considered income the month they are received. Money not expended within the month of receipt is considered a resource. Recurring lump sum payments, including income from earnings, are averaged over the period they are intended to cover. ■ 17

(10) **Irregular income.** Income received irregularly but in excess of \$30 per quarter is considered income unless it is from an excluded income source specifically mentioned at OAC 340:40-7-12. Countable irregular income is averaged over 12 months. ■ 18

INSTRUCTIONS TO STAFF 340:40-7-11

Revised 10-1-09

1. See OAC 340:40-7-12(6) for policy regarding exempting income for certain

children adopted through Oklahoma Department of Human Services (OKDHS) when specific conditions are met.

- 2. (a) If the client is not making at least minimum wage, see OAC 340:40-7-8(a) to determine whether the client meets the need factor for employment.**

(b) For this source of income to be considered self-employment, the person must:

(1) state he or she is self-employed;

(2) be eligible to file federal and state income tax returns as a self-employed person. A person who owns an interest in a corporation does not qualify as self-employed because the person does not have business expenses. Self-employment income tax return forms include, but are not limited to:

(A) Form 1040 with Schedule C for sole proprietors;

(B) Form 1065 with Schedule 8865 K-1 for partnerships;

(C) Form 1120-S with Schedule K-1 for S corporations; or

(D) Form 1040 with Schedule F for farmers;

(3) not have an employer/employee relationship with another entity; and

(4) have the potential to realize a profit or a loss.

- 3. (a) Wages are averaged over a minimum of the last 30 days unless these wages are not indicative of future earnings. See OAC 340:40-7-13 for more information on computing income. The worker records income information in the Family Assistance/Client Services (FACS) Interview Notebook under the Income tab.**

(b) Money allotted for rent and food that may appear on an active military person's pay check is considered part of that person's earned income.

- 4. If a person receives a benefit allowance from the person's employer, the worker counts the regular gross earnings plus any excess money left after deducting the insurance cost from the benefit allowance. For example, a**

person:

(1) is given a \$300 benefit allowance to purchase insurance and uses the entire amount to purchase the insurance. None of the benefit allowance is counted as income;

(2) is given a \$300 benefit allowance but only purchases \$280 in insurance. The remaining \$20 that is given to the client as an excess benefit allowance is counted as income; or

(3) has an option of purchasing insurance and would receive a \$300 benefit allowance if insurance was purchased but the person elects not to purchase the insurance. In this situation, the employer makes \$150 of the \$300 benefit allowance available as cash. The \$150 is an excess benefit allowance and is counted as income.

5. (a) Capital gains income is excluded as income for subsidized child care benefits. See OAC 340:50-7-30(1) for food benefits.

(b) Persons who own an interest in a corporation do not qualify for the business expense deduction as they do not have individual business expenses.

(c) If the person filed a federal income tax return for the self-employment income for the most recent year, the worker uses the net self-employment income shown on the person's federal income tax return and divides the income by 12 or the number of months the business has been in existence, if fewer than 12 months, to determine monthly income unless it does not represent the person's current situation. If the federal income tax return does not reflect the household's current circumstances because the business has experienced a substantial increase or decrease in income, the worker calculates the self-employment income based on anticipated earnings using the business records that reflect the current situation. Self-employment income tax return forms include:

(1) Form 1040 with Schedule C for sole proprietors and some limited liability companies;

(2) Form 1065 with Schedule 8865 K-1 for partnerships;

(3) Form 1120-S with Schedule K-1 for S corporation; or

(4) Form 1040 with Schedule F for farmers.

(d) When the person did not file an income tax return on his or her self-employment income for the most recent year, the worker uses (1) through (3) to determine the net monthly self-employment income.

(1) The gross self-employment income is computed using the person's self-employment business records for the past 12 months, or the actual number of months the person has been in business, if fewer than 12 months.

(2) If the person declares he or she incurred business expenses, the worker then subtracts 50% of the gross self-employment income as business expenses. If the household did not incur business expenses, a business expense deduction is not given.

(3) If the person's self-employment enterprise has been in existence for at least one year, the worker divides the net self-employment income by 12. If the person's self-employment enterprise has been in existence for less than a year, the worker divides the net self-employment income by the number of months the person has been in business.

(e) The worker documents in FACS Case Notes how the countable income was calculated.

6. (a) If the client states that his or her income has increased or decreased, the worker uses whatever income is representative of future earnings to determine the family share co-payment. The worker documents in FACS Case Notes how income was calculated and why the full 12-month average was not used.

(b) If the person's self-employment enterprise has been in existence for less than a year, the worker divides the total income by the number of months the person has been in business.

(c) If the client has not yet received income from the enterprise, no income is considered in accordance with OAC 340:40-7-10 until the client receives some income.

7. (a) For example, if a person is self-employed only during the summer months

and works as an employee for someone else during the rest of the year, the worker averages the self-employment income only for the summer months.

(b) If this income is from a new source and no income has been received, income is not counted from this source until income has been received. If the client had this same seasonal business the prior year, the worker anticipates income for the first month based on the prior year's income records unless it is not representative. The worker records documentation about how income is calculated in FACS Case Notes.

8. Income from rental property is considered as self-employment whether the client or an outside source manages the property. There is no minimum number of hours the client must manage the property for the income to be considered self employment.

9. For a client to declare someone to be paying room and board rather than being a roommate, the client must own or be buying the home separately from the tenant. Determining who must be considered part of a household is different for food benefit purposes, per OAC 340:50-5-1 and 340:50-7-30(9).

10. A child who turns 18 years of age is considered an adult for child care purposes. If the child is a sibling to the child needing subsidized child care benefits, the 18 year old sibling's income is not counted. See OAC 340:40-7-6 regarding household composition and income consideration. See OAC 340:50-5-1 regarding who must be included in a household for food benefits.

11. See OAC 340:65-3-4 regarding ways to verify and document unearned income.

12. Recipients of these assistance programs are predetermined income eligible with a zero family share co-payment for the subsidized child care benefits in accordance with OAC 340:40-7-1.

13. (a) A recipient of Supplemental Security Income (SSI) is predetermined income eligible with a zero family share co-payment for subsidized child care benefits in accordance with OAC 340:40-7-1.

(b) The worker considers the SSI income in determining the family share co-payment for other household members. The child receiving SSI is not counted as a child in OKDHS subsidized care on OKDHS Appendix C-4 when determining the family share co-payment for the other children. The only exception is if it makes a difference in whether the other children are income

eligible for child care per OAC 340:40-7-1(1)(B). For example, household income may be \$2,425 if the client is approved for two children in care. Household income for one child in care is \$1,950. If the client has one child receiving SSI and one child who is not and the client's household income is \$2,400, it is better for the client to be approved for both children in the same case with a family share co-payment than to receive a zero co-payment for the child receiving SSI and not be eligible for the other child. If this situation occurs and the family has more than one child receiving SSI, all children must be included on the same case. The family cannot choose to put one of the children on the case with the co-payment and the others on their own cases with zero co-payments.

(c) The child is counted as a family member in determining household size.

14.(a) The worker obtains copies of any established court orders. If the client states he or she is receiving any of these types of income, the worker obtains current statements or phone interviews from the person providing this assistance as to dates and amounts of all payments made within the last 60 calendar days. If support is received sporadically or in varying amounts, the worker may choose to average income over a longer period of time and document his or her reasoning in FACS Case Notes.

(b) To determine if these payments are paid through the Oklahoma Child Support Services (OCSS), the worker uses the Information Management System (IMS) and enters SSN space and the client's Social Security number to find the family group number (FGN). The worker enters KI1 space FGN to display a list of payments received. For an explanation of the FGN enter M space CSMLDATA; and for information on using transaction KI1, enter M space KI1.

(c) The worker codes child support income on the child for whom it is being received if that child is considered a household member. If the client is receiving child support for a child not included in the household, it is coded as a contribution to the client. See OAC 340:40-7-12(10) if child support income is being received for the care and maintenance of a third party.

(d) If the absent parent is paying a portion of the client's family share co-payment and the client is also receiving food benefits, the portion that the absent parent is paying is not considered a dependent care deduction for the Supplemental Nutrition Assistance Program (SNAP), per OAC 340:50-7-31(b)(4).

(e) Exclude money paid directly to household expenses that are not court-ordered. See OAC 340:50-7-29(b)(3) for information on how this income is considered for SNAP.

15.(a) When someone outside of the client's home is paying a portion of the cost of child care directly to the child care provider and states this money is in addition to the client's family share co-payment, the worker enters this additional co-payment in the FACS Eligibility Notebook under the Child Care tab, "Court-ordered" field E55. When a dollar amount is entered in field E55, OKDHS does not make a payment to the child care provider until both the family share co-payment and the additional co-payment is applied to the cost of care first.

(b) The worker sends Form 08MP037E, Notice Regarding Social Services, to both the client and the provider advising them that an additional co-payment is being paid by someone other than the client in addition to the family share co-payment owed by the client.

(c) If this additional co-payment stops being paid, the worker removes the additional co-payment from the "Court-ordered" field E55 and e-mails Form 10EB004E, Report of EBT Child Care Payment Adjustments, to the e-mail address on the form to request an adjustment be made to the provider's pay.

16. Military benefits whose receipt is contingent upon the person regularly attending school are excluded.

17.(a) See OAC 340:40-7-5 for policy regarding resources.

(b) Lump sum payments are considered in the month they are received unless the income is from an excluded source. See OAC 340:40-7-12(1) regarding income exclusions. Lump sum payments from SSI income are also excluded.

(c) An example of a countable lump sum is one-time gambling winnings when there is no established gambling pattern. For gambling winnings that are received on a more consistent basis where the client has an established gambling pattern, see the policy on irregular income in (c)(11) of this Section.

18. An example of irregular income is gambling winnings that are received on a consistent basis where the client has an established gambling pattern.

340:40-7-12. Sources of excluded incomeRevised 10-1-09

Only the income listed in this Section is excluded in determining a household's eligibility for a child care benefit. No other income is excluded.

(1) **Lump sum payments.** Both one-time and recurring lump sum payments are excluded as income unless they are specifically mentioned in OAC 340:40-7-11.

(2) **In-kind income.** In-kind income is defined as any gain or benefit which is not in the form of money payable directly to the household, including non-monetary or in-kind benefits such as meals, clothing, public housing, or produce from a garden, and is excluded. ■ 1

(3) **Money received from the sale of property.** Money received from the sale of property such as stocks, bonds, a house, or a car is excluded. This exclusion does not apply if the person is engaged in the business of selling such property. ■ 2

(4) **Bank or trust account withdrawals.** Money withdrawn from a bank or trust account is excluded as income even if used to meet current living expenses.

(5) **Capital gains.** The proceeds from the sale of capital goods or equipment is excluded.

(6) Household income for certain children adopted through Oklahoma Department of Human Services (OKDHS). The income of all household members is exempt for a child only when conditions in (A) through (E) are met. ■ 3 The:

(A) child has been adopted through OKDHS or a federally recognized Indian tribe, as defined by the Federal and Oklahoma Indian Child Welfare Acts, by the parent who is applying for benefits; ■ 4

(B) adoptive parent applying for benefits must have a fully executed Form 04AN002F, Adoption Assistance Agreement, that lists child care as an adoption assistance benefit for the child and also includes Form 04AN033E, Post Adoption Child Care Referral; ■ 5

(C) adoptive parent and child are residents of Oklahoma;

(D) child is five years of age or younger; and

(E) need for child care is for employment only and proof is provided. ■ 6 Subsidized child care may be approved only for the days and hours the parent works. ■ 7 In a two-parent family, care may also be approved for sleep time when one parent works days and the other parent works during normal night time sleep hours. Refer to OAC 340:40-7-8.

(7) Earnings of children. Earnings of a person 17 years of age and younger who is considered a child in the case is excluded as long as the child is attending school regularly. This exclusion continues to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment resumes following the break. Earned income of a child who is head of his or her own household, such as is the case for a minor parent, is treated as adult income. ■ 8

(8) Irregular income. Any income received too infrequently or irregularly to be reasonably anticipated is not counted unless it is in excess of \$30 per calendar quarter.

(9) Reimbursements. Reimbursements for past or future expenses to the extent they do not exceed actual expenses are excluded. ■ 9

(10) Tax refunds. Federal or state income tax refunds, including the state and federal Earned Income Tax Credit (EITC), and advance payments of federal EITC are excluded.

(11) Money received for third parties. Money received and used for the care and maintenance of a third party who is not a household member is excluded.

(12) Loans. All loans, including loans from private as well as commercial institutions, are excluded. Verification that the income is a loan is required.

(13) Grants. Grants obtained and used under conditions that preclude their use for current living costs is excluded.

(14) Educational assistance. All education grants, work-study, scholarships, and student loans are exempt if receipt is contingent upon the student regularly attending school.

(15) Stipends. Stipends paid to students participating in the Indian Vocational Education Program through the Carl D. Perkins Vocational and Applied Technology Education Act is excluded.

(16) Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE). Payment for supportive services or reimbursement of out-of-pocket expenses made to volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in SCORE and ACE is excluded.

(17) Government rent or housing subsidies. Government rent or housing subsidies by government agencies which is received in-kind or in cash for rent, mortgage payments, or utilities is excluded.

(18) Foster care payments. Foster care payments received for a foster child in state or tribal custody are excluded as income.

(19) Title IV E of the Social Security Act or State Adoption Subsidy. Federal or state funded adoption subsidy payments made to adoptive parents are excluded as income.

(20) Victims of Crime Act of 1984. Payments made from the crime victims compensation program as amended in Section 1402 of the Victims of Crime Act of 1984 are excluded. [42 USC 10602]

(21) Family Support Assistance Payment Program. Family Support Assistance Payment Program payments paid to persons by the Developmental Disabilities Services Division of the Oklahoma Department of Human Services (OKDHS) are excluded as income.

(22) Vendor payments. Vendor payments are payments in money on behalf of a household when a person or organization outside the household uses its own funds to make a direct payment to either a household's creditors or a person or organization providing a service to the household are excluded. Payments specified by a court order or other legally binding agreement to be paid directly to the client but that are instead diverted to pay a third party for a household expense are counted as income. ■ 10

(23) Money received by another household for a household member.

(A) When a child spends part of the month in two separate households and receives countable income, the worker determines which household actually receives the income. Only the portion of the income that is actually received by the household applying for or receiving a child care benefit is considered as income for that household. ■ 11

(B) When a minor parent is the payee and lives with one of his or her parents or a caretaker who receives child support for the minor parent, that child support is considered income for the parent or caretaker and not considered for the child care benefit.

(24) Income excluded by federal law. Income excluded by federal law is defined as:

(A) payments received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(B) payments received:

(i) under the Alaska Native Claims Settlement Act [Public Law (P. L.) 92-203, § 21(a)];

(ii) under the Sac and Fox Indian Claims Agreement [P.L. 94-189];

(iii) from the disposition of funds to the Grand River Band of Ottawa Indians [P.L. 94-540];

(iv) by members of the Confederated Tribes of the Mescalero Reservation [P.L. 95-433]; or

(v) under the Maine Indian Claims Settlement Act of 1980 to members of the Passamaquoddy and the Penobscot Nation [P.L. 96-420];

(C) any payment to volunteers under Title II, Retired and Senior Volunteer Program, Foster Grandparents and others, of the Domestic Volunteer Services Act of 1973 [P.L. 93-113] as amended. Payments under Title I of that Act, Volunteers in Service To America, University Year for Action, and Urban Crime Prevention Program, to volunteers are excluded only if the monthly amount, when converted to an hourly rate, is less than the Oklahoma minimum wage; ■
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(D) income derived from submarginal land of the United States which is held in trust for certain Indian tribes [P.L. 94-114, Sec. 6];

(E) Indian payments, which include judgment funds or funds held in trust, distributed per capita by the Secretary of the Interior of the Bureau of Indian Affairs or distributed by the tribe subject to approval by the Secretary of the Interior. Any interest or investment income accrued on such funds while held in

trust or any purchases made with judgment funds, trust funds, interest, or investment income accrued on such funds. Any income from mineral leases, from tribal businesses investments, and the like, as long as the payments are paid per capita. For purposes of this paragraph, per capita is defined as each tribal member receiving an equal amount. However, any interest or income derived from the principal or produced by purchases made with the funds after distribution is considered as any other income;

(F) income up to \$2,000 per year received by individual Indians, which is derived from leases or other uses of individually-owned trust or restricted lands is not counted as income. The income exclusion applies to calendar years beginning January 1, 1994. Any remaining disbursements from the trust or restricted lands are considered as income;

(G) allowances, earnings, and payments received by a child(ren) in the household from a program funded by participation in the Workforce Investment Act (WIA), including Job Corps income are not counted as income;

(H) payments, allowances, or earnings to persons participating in programs under Title I of the National and Community Service Trust Act of 1993. Title I includes three Acts: Serve-America, The Community Service, Schools and Service-Learning Act of 1990, the American Conservation and Youth Service Corps Act of 1990, and the National and Community Service Act. Most of the payments are made as a weekly stipend or for educational assistance. The Higher Education Service-Learning Program and the AmeriCorps Umbrella Program come under this Title. This includes AmeriCorps income;

(I) payments or allowances made under any federal law for the purpose of energy assistance, Low Income Home Energy Assistance Program (LIHEAP), and also utility payments and reimbursements made by the Department of Housing and Urban Development (HUD) and the Farmers Home Administration (FmHA);

(J) the amount of the mandatory salary reduction of military service personnel used to fund the G.I. Bill;

(K) all funds paid to persons under the Community Service Employment Program under Title V. [P.L. 100-175] This program is authorized by the Older Americans Act. Each State and various organizations receive some Title V funds. These organizations include:

(i) Green Thumb;

- (ii) National Council on Aging;
 - (iii) National Council of Senior Citizens;
 - (iv) American Association of Retired Persons;
 - (v) U.S. Forest Service;
 - (vi) National Association for Spanish Speaking;
 - (vii) National Urban League;
 - (viii) National Council on Black Aging; and
 - (ix) National Council on Indian Aging;
- (L) payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement In Re Agent Orange Product Liability Litigation, M.D.L. No. 381 (E.D.N.Y.);
- (M) payments received under the Civil Liberties Act of 1988. These payments are made to persons of Japanese ancestry who were detained in interment camps during World War II;
- (N) payments made from the Radiation Exposure Compensation Trust Fund as compensation for injuries or deaths resulting from exposure to radiation from nuclear testing and uranium mining;
- (O) payments for the fulfillment of a Plan for Achieving Self-Support under Title XVI of the Social Security Act;
- (P) payments made to persons because of their status as victims of Nazi persecution;
- (Q) payments made for the Experimental Housing Allowance Program under Annual Contributions Contracts entered into prior to January 1, 1975, under Section 23 of the U.S. Housing Act of 1937 as amended;
- (R) monetary allowances provided to certain children of Vietnam War veterans as described in Chapter 18 of Title 38 of the United States Code (USC);

(S) federal major disaster and emergency assistance provided under the Disaster Relief Act of 1974, and comparable disaster assistance provided by states, local governments, and disaster assistance organizations. For payments to be excluded, the disaster or emergency must be declared by the President of the United States;

(T) the value of the food benefit allotment under the Food and Nutrition Act of 2008; and

(U) the value of supplemental food assistance under the Child Nutrition Act of 1966 and the special food services program for children under the National School Lunch Act of 1970, both as amended by the Omnibus Budget Reconciliation Act of 1981.

INSTRUCTIONS TO STAFF 340:40-7-12

Revised 10-1-09

- 1. See OAC 340:40-7-11(c)(5) for court-ordered benefits.**
- 2. See OAC 340:40-7-11(b)(2) for how to handle self-employment income.**
- 3. (a) When all five conditions listed in OAC 340:40-7-12(6) are met, no income is considered for the child. This includes exempting income from any non-relative adult of the opposite sex who is living in the home with the adoptive parent. The worker must document in Family Assistance/Client Services FACS Case Notes why the income is being excluded.**

(b) When all five conditions listed in OAC 340:40-7-12(6) are not met, all household income is considered for the child in accordance with OAC 340:40-7-6 and care may be approved for any need factor met in OAC 340:40-7-7 and 340:40-7-8.
- 4. The parent meets this condition by providing a copy of the Final Decree of Adoption.**
- 5. When the parent does not have Form 04AN002E and Form 04AN033E, Post Adoption Child Care Referral, the parent contacts the Children and Family Services Division (CFSD) Post Adoption Services Section to obtain the forms.**
- 6. Proof can be a copy of the work schedule showing the parent's name and the name of the business or a signed statement from the employer. A written**

statement is preferable, but if this is unavailable, the worker can also confirm the parent's work hours over the telephone with the employer. The worker must document how work hours are verified in FACS Case Notes.

7. (a) When it is a single parent household, care may only be approved for the days and hours the parent is employed including travel time.

(b) When this is a two-parent household and both parents are employed, care is only authorized for the hours worked in common including travel time unless they qualify for sleep time child care as defined in OAC 340:40-7-8(a)(5).

8. For purposes of this provision, an elementary or high school student also includes someone who attends classes, to obtain a General Educational Development (GED) certificate, that are recognized, operated, or supervised by the student's state or local school district.

9. (a) Examples are reimbursements for:

(1) job or training related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. If these expenses are not reimbursements, they are not otherwise deductible;

(2) out-of-pocket expenses incurred by volunteers in the course of their volunteer activity;

(3) medical or dependent care; and

(4) services provided by Title XX of the Social Security Act.

(b) When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The worker counts the amount of the reimbursement that exceeds the actual incurred expenses. The worker does not consider a reimbursement to exceed actual expenses unless the provider or household indicates the amount is excessive.

10.(a) Examples of vendor payments that are excluded as income are:

(1) a friend, employer, agency, church, relative, or former spouse making payments for household expenses such as rent or utilities directly to the

landlord or utility company. If the payment is made from funds not owed to the household, it is a vendor payment and excluded as income;

(2) a payment made directly to the landlord or financial institution for the household's rent or house by an employer, in addition to paying regular wages, is excluded;

(3) payments specified by a court order or other legally binding agreement to go directly to a third party rather than the household are excluded as income as they are not otherwise payable to the household; or

(4) payments or allowances made by the Department of Housing and Urban Development (HUD) or by the Farmers Home Administration (FmHA) directly to mortgage holders, landlords, or utility providers are vendor payments and excluded as income.

(b) An example of a vendor payment that is considered as income is when a non-custodial parent is directed by the court to pay \$400 in child support to the client. The non-custodial parent pays \$200 to the client and \$200 directly to the landlord for rent. The worker counts the entire \$400 as unearned income because the payment is taken from money that is owed to the household. If the court order had directed the non-custodial parent to make a payment directly to a vendor, that payment is excluded as income.

11. An example of this could occur in certain joint or shared custody situations. One parent may be receiving a Temporary Assistance for Needy Families (TANF) benefit or an Supplemental Security Income (SSI) payment for a child. If none of the income comes with the child into the other parent's household, it is not counted as income in that household. If part of the income is given to the other parent, only that portion of the income is considered as income.

12. See OAC 340:50-7-22(5)(H) for determining food benefit eligibility.