

NON-TANF CHILD CARE ELIGIBILITY

CHILD CARE 2 - 5

Prospective Income

Supersedes: Child Care 2 – 5 (4/9/16)

References: ARM 37.80.201 – 202;
45 CFR 98.20; 52-2-701 - 704; 52-2-713 MCA

General Rule

Eligibility is based on the income anticipated in future months. Prospected income is applied to future scholarship months. Prospected income is applied to the current month only when it applies to a new application.

The current month’s income may be less than that anticipated in future months. Eligibility may be determined for the current month based on the current month’s income and eligibility may be issued for subsequent months based on prospected income. This avoids an unnecessarily high co-payment during the parent’s first partial month of employment.

Assuming income eligibility is prospected correctly, income fluctuations will not affect eligibility during the current certification plan eligibility period. If eligibility is determined with incorrect information, the Child Care Resource and Referral [CCR&R] Eligibility Specialist shall proceed with a correction process.

See Section 2-4 on income verification.

See the Early Childhood Services Bureau [ECSB] Procedure Handbook for specifics regarding how to case note income determinations.

Income Determination Method

Table #1 Convert Income into Monthly Figure	
Pay Period	Formula
Monthly [same amount each month]	Use gross income
Monthly [amount differs each month]	Add gross income from 2 consecutive months ÷ 2 [Average may be for up to 12 consecutive months]
Semi-monthly [2 times per month]	Gross income x 2
Bi-weekly [Every 2 weeks]	Gross income x 2.15
Weekly	Gross income x 4.33

Calculating Income

The Monthly amount [differs each month] will be used to calculate self-employment and contractual income.

Table #2 How to Calculate an Average Gross Monthly Income	
1.	Add gross income received from previous 2 months before taxes and other deductions. Wage stubs must be consecutive.** All forms of income must be counted [i.e. holiday, sick time] except over time if irregular.
2.	Convert the income into a monthly figure using formulas from Table 1
3.	Add unearned income
4.	Subtract child support payments made for children outside of the household from previous 2 months [Section 2-6]
5.	Divide by the number of months used in number 1. Above which equals the average gross monthly income

Consecutive wage stubs mean those which show earned income for the previous 60 days of work and may be used at the parent’s request to determine income.

Calculating Irregular Income Heading

An average gross monthly income must be calculated for the parent who has an irregular income. See Section 2-4 for a description of Irregular Income. Irregular income should first be averaged on a two month basis. If an accurate computation cannot be made on a 2 month basis, then the parent’s income can be calculated by averaging up to a 12-month basis.

Calculating Seasonal Income

Seasonal income should be averaged in a way that provides the best picture of the parent’s annual income. Any calculation should include payroll/income information from both high and low earning months. Employment such as farming, logging, construction, etc. may be calculated most accurately over a 12-month average to include summer [high], spring and fall/winter [low] seasons.