



# SHARING THE NEWS

Important Information for Child Care Providers  
caring for children in the Wisconsin Shares Child  
Care Subsidy Program

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The purpose of the Wisconsin Shares Child Care Subsidy Program is to assist low income working families in paying for the cost of quality child care for the time needed to participate in work and work activities.

## Recent Changes

The Wisconsin Shares Child Care Subsidy program has seen a number of changes in the last several months that DWD has made efforts to notify providers of already. A summary of the major changes that impact providers is:

- Maintaining maximum rates for 2007 at the same level as 2006. Notice was sent February 5 and 12, 2007. You can view more detailed information at <http://dwd.wisconsin.gov/dws/programs/childcare/wishares/rates.htm>.
- Entering attendance being limited to within three months. Notice was sent on February 5 and 12, 2007. You can also view the notice at <http://dhfs.wisconsin.gov/em/ops-memos/2007/pdf/07-07att.pdf>.
- Increasing co-payments. The part of the maximum rate paid by parents increased by 8% effective March 11, 2007. Notice was sent February 5 and 12, 2007. More information on this change is available at the Child Care Web Site at <http://dwd.wisconsin.gov/dws/programs/childcare/wishares/default.htm>.
- Paying enrollment authorizations on an attendance basis if the actual attendance is less than 50% of the authorized hours effective April 1, 2007. Notice was sent March 19, 2007. For further questions, please contact your local child care administrative agency at the county or tribe or refer to the Child Care Website at: <http://dwd.wisconsin.gov/dws/programs/childcare/wishares/policychanges2007.htm>. Effective March 26, 2007, DWD will also have a statewide hotline for child care provider questions about the under utilization attendance policy at: 1-888-499-3464.



### FAIR TREATMENT OF EMPLOYEES

When a child care provider hires other people to provide care for children, there are a number of requirements to follow. We touched on this briefly in the last issue, but have heard more about situations in which the provider hires parents of Wisconsin Shares children. There appears to be confusion about how a provider may treat these employees.

**Can a provider hire parents of Wisconsin Shares children?** Yes. There are no rules prohibiting licensed providers from employing the parents of children in the providers' care. However, local agencies may consider this a conflict of interest situation and require extra documentation of the hours worked, the child's attendance, and other details.

**Can a provider treat these parent-employees differently from other employees?** No. Equal Rights Law sets standards for fair treatment of employees. Providers are required to follow these laws whether the employee is the parent of a child in care or not.

**Can a parent-employee be required to pay for damage caused by their own child?** Only if the provider requires payment from any parent for similar damage. To survive a court challenge, this damage would likely have to be outside the normal wear and tear that can be expected in a child care setting, and outside the control of the provider. Spilling milk or clogging a toilet are unlikely to meet this test.

**Can a parent-employee be required to make payments to the provider via payroll deduction?**

No. Mandatory payroll deductions are limited to items such as employment taxes and court-ordered child support. An employee may voluntarily request deductions for benefits, but cannot be required to request or allow payroll withholding of employer-imposed fines and fees.

**Can an employer fire an employee for refusing to allow special deductions for fines and other fees?**

No. An employee cannot be fired for exercising a lawful right. Employers cannot retaliate against an employee for defending a right under state labor laws.

**Can a provider require that an employee have or get a credential or certificate?**

Yes. A provider can require that employees have credentials and the training needed to get that credential.

**Does a provider have to pay for the training or pay the employee for the time needed to take the training?**

Sometimes. If the credential is "portable", and the employee can use it to get a job with other providers, then the employer does not have to pay for the training or the time needed to take the training. For example, the provider can require that all employees have at least a CDA (Child Development Associate) credential. Since this credential is required by many providers, it becomes a portable asset to the employee.

If the training is not part of a portable credential, then the employer must pay for the employee's time in taking the training. For example, if the provider wants all employees to have diversity training, then the employer has to pay for the time the employee spends in the class as well as the course fee.

**Can a provider withhold training fees from an employee's paycheck?**

No. Not unless the employee voluntarily requests the withholding.

**Who enforces these requirements?**

The Equal Rights Division of the Department of Workforce Development enforces fair labor standards. For additional guidance on these questions, you can contact them at 608-266-6860 in Madison or 414-227-4384 in Milwaukee. Complaint forms are available at: [http://dwd.wisconsin.gov/dwd/forms/ERD/pdf/ls\\_119.pdf](http://dwd.wisconsin.gov/dwd/forms/ERD/pdf/ls_119.pdf).

**Are there any other requirements that DWD enforces?**

Yes. The Department carefully watches to see if employers are properly reporting wages to the Unemployment Insurance (UI) program. Problems are referred to the Unemployment Insurance field auditors, and to the local agency that authorized the employee's child care. If the wages

are wrong, the employer may owe back UI taxes. In addition, the employee may be ineligible for ineligible for any benefits received, resulting in overpayments. Additional follow-up and referrals may also occur. Make sure that you are making timely and accurate reports of the wages you pay all your employees.

**BEST PRACTICE:**  
Have a written, signed agreement with each employee, specifying rate of pay, hours of employment, holidays, paid sick leave and vacation requirements, training, and any special items.

**MORE ON ATTENDANCE REPORTING**

In the last issue of Sharing the News, we emphasized the importance of accurate attendance reporting. The Department is taking a number of steps to assure accurate attendance reporting. We are increasing monitoring of some high risk situations.

**AUTHORIZATIONS ARE THE PROVIDER'S ONLY PAYMENT AGREEMENT WITH THE WISCONSIN SHARES CHILD CARE SUBSIDY**

Sometimes, providers choose to provide child care to a family even though they know that the family's authorization has not yet been established or it has ended. While we appreciate providers' best intentions to work with families under these circumstances, you should be aware that, in many instances, these families will not be receiving Wisconsin Shares benefits for the unauthorized time period. In these situations, you will not be able to be reimbursed by the Wisconsin Shares program for the hours of care provided without an authorization. **Remember: a printed Child Care Authorization is the only valid agreement that the Wisconsin Shares Child Care Subsidy program will pay the provider.** It describes the dates for which care will be paid, the maximum number of hours authorized, and the payment amount. Providers who accept children without a valid authorization or provide more care than the authorization allows have no guarantee they will receive payment from the Wisconsin Shares Child Care Subsidy Program.

DWD is an equal opportunity employer and service provider. If you have a disability and need to access this information in an alternate format; need it translated to another language, or you have questions about the content of this newsletter, please contact your county child care coordinator or call the Child Care Help Desk at (608) 261-6317, option #2.

For civil rights questions call (608) 266-6889 or (866) 864-4585 TTY (Toll Free).