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**State of Wisconsin
Governor Scott Walker**

**TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators**

**FROM: Kath McGurk, Director
Bureau of Early Learning and Policy
Division of Early Care and Education
Department of Children and Families**

DECE/BELP OPERATIONS MEMO					
No: 15-42					
DATE: 11/04/2015					
FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
BC+ Basic	<input type="checkbox"/>	BC+ CORE	<input type="checkbox"/>		
CC	<input checked="" type="checkbox"/>	W-2	<input type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RAP	<input type="checkbox"/>	WIA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
				EP	

SUBJECT: Adjusted Self-Employment Income Authorization Calculation

CHILD CARE SELF-EMPLOYMENT MEMO: 3 of 3

CROSS REFERENCE: CC Self-Employment Memos 1 and 2, CC Manual Section 2.2.8 Authorizations for Self-Employment. Wisconsin Statutes Section 49.155 (1m)(c)

EFFECTIVE DATE: November 9, 2015

PURPOSE: To help workers calculate an authorization for self-employed participants using the Child Care Statewide Administration on the Web (CSAW) Case Activity Screen.

BACKGROUND: 2.2.8 of the Child Care Manual states to calculate an authorization for a participant that has had a self-employment business in operation for over six months. The worker will take their monthly adjusted self-employment income and divide it by 4.3 and then divide it again by the state minimum wage.

GUIDANCE ON POLICY IMPLEMENTATION: CSAW will automatically calculate a weekly number of hours for an authorization from Adjusted Self-Employment information entered in CARES Worker Web (CWW). This calculated amount of hours appears in the Case Activity Summary screen as shown below.

Keep in mind that those calculations do not include the following considerations:

- Child care need that is less than the calculation estimates,
- additional hours needed for other approved activities that may include travel, and
- multiple parents in the household that do not have an overlapping schedule or amount of CSAW maximum calculated hours.

Example 1-Single Parent Household

The participant is a self-employed Avon Cosmetic Salesperson. Her adjusted self-employment income, pulled from the budget page in CWW is \$500.

CSAW takes that budgeted self-employment income and divides it by 4.3 and then again by the state minimum wage (\$7.25) to determine the allowed weekly hours of 17.

In this example, the participant is also finishing college to get her business degree. She plans to open up her own make-up line in the future. She attends school part time 15 hours a week, which includes travel time. Therefore she is permitted an authorization for 32 hours per week (17 SE hours + 15 school hours =32 Total Authorization Hours).

Case Activity Summary [Printable View](#)

Case Activity Summary

Case Details

Case Number 2150787423	AG Status Open	Primary Person Kesha Jones
Admin Agency Dane County (13)	Review Date 1/31/2016	Address 1 W Wilson St Po Box 7850 Madison WI 53703-3445 Dane County
Auth Worker ID	SMRF Date 7/31/2015	

Details of Eligible Adults in the Case

Name: Kesha Jones (2584901102)	Approved Activity: Unsubsidized Work
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Kesha's Adjusted Self-Employment income of \$500 is divided by 4.3=\$116.27 and that is divided by \$7.25=16.04, which is rounded up to 17 hours.

Employment Details

There are No Employment Details.

Self Employment Details Budgeted Self Employment Income: \$500.00 Allowed Weekly Hours*: 17

Business Type	Business Name	Start Month
Cosmetics - Sales/Avon		02/2013

School Enrollment Details

Enrollment Status	Highest Level of Education Completed	High School Graduation Status	Type of Educational Institution	School Name
Half Time	Hs Diploma		Institute Of Higher Educ	

Post Secondary Education Tracking 3.0 months used	Basic Education Tracking 0 months used
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Example 2-Two Parent household-Separate Self-Employment Businesses

In this example, Kesha from example #1, gets married and maintains her school and self-employment. Her husband is also self-employed with a separate business. His income is entered into CWW and it is determined that his monthly Budgeted Self-Employment Income is \$416.66.

CSAW divided the budgeted self-employment income by 4.3 and then again by minimum wage (\$7.25) to calculate an allowed weekly hours of 14.

The participants have a total of 14 overlapping hours, therefore they qualify for a 14 hour authorization.

Case Activity Summary		Printable V
Case Activity Summary		
Case Details		
Case Number 2150787423	AG Status Open	Primary Person Kesha Jones
Admin Agency Dane County (13)	Review Date 1/31/2016	Address 1 W Wilson St Po Box 7850 Madison WI 53703-3445 Dane County
Auth Worker ID	SMRF Date 7/31/2015	
Details of Eligible Adults in the Case		
Name: Kesha Jones (2584901102)	Approved Activity: Unsubsidized Work	Effective Month: 02/2015
Employment Details		
There are No Employment Details.		
Self Employment Details		
Budgeted Self Employment Income: \$500.00		Allowed Weekly Hours*: 17
Business Type	Business Name	Start Month
Cosmetics - Sales/Avon		02/2013
School Enrollment Details		
Enrollment Status	Highest Level of Education Completed	High School Graduation Status
Half Time	Hs Diploma	
		Type of Educational Institution Institute Of Higher Educ
Post Secondary Education Tracking		Basic Education Tracking
3.0 months used		0 months used
Current W-2 Placement: There is no W-2 Employment Placement.		
Employability Plan Activities		
There are No W-2 employability plan activities for this individual.		
WP Components		
There are No W-2 components for this individual.		
FSET EP Activities		
There are no FSET EP Activities.		
Name: Rick James (2584961181)	Approved Activity: Unsubsidized Work	Effective Month: 06/2015
Employment Details		
There are No Employment Details.		
Self Employment Details		
Budgeted Self Employment Income: \$416.66		Allowed Weekly Hours*: 14
Business Type	Business Name	Start Month
Bakery	RICK'S SWEETS	01/2014
School Enrollment Details		
There are No School Enrollment Details.		
Post Secondary Education Tracking		Basic Education Tracking
0 months used		0 months used

In all two-parent households, the number of hours authorized for child care should cover only the overlapping hours when both parents are participating in approved activities. Therefore the # of hours authorized would be 14.

Example 3-Two Parent household-Shared Self-Employment Business

In this example, Kesha gets married and is equal partners with her new husband to sell Avon products. Their income is then split in half and entered into CWW seperately because they are equal partners. All income must be divided and entered in CWW by percentage of partnership. It is not automatically divided in half because of Wisconsin marital law.

Case Activity Summary
[Printable \](#)

Case Activity Summary

Case Details

Case Number 2150787423	AG Status Open	Primary Person Kesha Jones
Admin Agency Dane County (13)	Review Date 1/31/2016	Address 1 W Wilson St Po Box 7850 Madison WI 53703-3445 Dane County
Auth Worker ID	SMRF Date 7/31/2015	

Details of Eligible Adults in the Case

Name: Kesha Jones (2584901102)	Approved Activity: Unsubsidized Work	Effective Month: 02/2015
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Employment Details

There are No Employment Details.

Self Employment Details

Budgeted Self Employment Income: \$250.00	Allowed Weekly Hours*: 9
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Business Type	Business Name	Start Month
Cosmetics - Sales/Avon		02/2013

School Enrollment Details

Enrollment Status	Highest Level of Education Completed	High School Graduation Status	Type of Educational Institution	School Name
Half Time	Hs Diploma		Institute Of Higher Educ	

Post Secondary Education Tracking 3.0 months used	Basic Education Tracking 0 months used
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Current W-2 Placement: There is no W-2 Employment Placement.

Employability Plan Activities

There are No W-2 employability plan activities for this individual.

WP Components

There are No W-2 components for this individual.

FSET EP Activities

There are no FSET EP Activities.

Name: Rick James (2584961181)	Approved Activity: Unsubsidized Work	Effective Month: 06/2015
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Employment Details

There are No Employment Details.

Self Employment Details

Budgeted Self Employment Income: \$250.00	Allowed Weekly Hours*: 9
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Business Type	Business Name	Start Month
Cosmetics - Sales/Avon		02/2013

School Enrollment Details

There are No School Enrollment Details.

Post Secondary Education Tracking 0 months used	Basic Education Tracking 0 months used
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Their overlapping hours are 9, therefore they qualify for a 9 hour authorization.

They have 9 work hours derived from self-employment, however they also submitted schedules that stated Kesha works 9am-2pm and Rick works 1pm-9pm Monday through Friday. Since

they only have an overlapping schedule of 1 hour per day, they qualify for an authorization of 5 hours per week.

The following Department Forms have been updated to reflect updated self-employment policy:

- Authorized Hours for Self-Employment DCF-F-2535-E
- Self-Employment Maximum Hours Authorized DCF-F2534-E

These forms can be used at the discretion of the agencies. These forms are not mandatory.

CONTACTS: For Wisconsin Shares Child Care policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at http://dcf.wisconsin.gov/regional_operations/pdf/contact_list.pdf

For Child Care CARES/CWW, CSAW and CCPI Processing Questions statewide and policy questions in Milwaukee County contact the Child Care Help desk at: childcare@wisconsin.gov or (608) 264-1657.

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, BC+ Core – BadgerCare Plus Core, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DCF/DECE/BELP/MRD