



State of Wisconsin
Governor Tony Evers

TO: **Child Care Eligibility and Authorization Workers
and Supervisors
Income Maintenance Supervisors
Income Maintenance Staff
Training Staff
Child Care Coordinators**

DECE/BELP OPERATIONS MEMO

No: 20-03

DATE: 02/07/2020

Wisconsin Shares Child Care

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

**SUBJECT: Clarification on Educational Grants and Scholarships for Wisconsin
Shares Child Care**

CROSS REFERENCE:

[Wisconsin Shares Child Policy and Process Handbook](#)

Sections 1.4.2 and 1.4.3

Wis. Stat. s. [49.145\(3\)\(b\)1.](#)

Operations Memo [19-40](#)

EFFECTIVE DATE:

March 1, 2020

PURPOSE: The purpose of this Operations Memo is to provide local agencies with clarification regarding when to count or disregard educational grants and scholarships in the Wisconsin Shares Child Care financial eligibility test.

BACKGROUND: The Wisconsin Shares Child Care Policy and Process Handbook was recently updated in accordance with Operations Memo [19-40](#) to disregard private student loans in the Wisconsin Shares Child Care financial eligibility test. Local agencies have requested additional guidance on when to count or disregard other types of educational aid, such as grants and scholarships from different sources.

The disregard of educational aid is specified in Wis. Stat. [s. 49.145\(3\)\(b\)1.](#):

1. Any student financial aid received under any federal or state program, and
2. Any scholarship used for tuition and books.

The Department has interpreted scholarships to also include grants, as both are financial gifts provided to a student which the student does not need to pay back.

POLICY: The text highlighted in yellow will be added to the Wisconsin Shares Child Care Policy and Process Handbook with the next release.

1.4.2 Income that is Included in the Financial Eligibility Test

Income that is included in the Wisconsin Shares Child Care financial eligibility test includes, but is not limited to:

- Any educational grants and scholarships provided by public or private organizations that are **not** used for tuition and books

1.4.3 Income that is Not Included in the Financial Eligibility Test

The income types listed below are excluded from the Wisconsin Shares Child Care financial eligibility test:

- Overpayment collections that are withheld from Social Security, Unemployment Compensation or other programs that do not base eligibility on income and assets
- Child Support Payments: Court-ordered child support or family support payments if the aggregate amount paid to the Wisconsin Shares Child Care Assistance Group members is \$1,250 or less per month. **Note:** If the aggregate amount exceeds \$1,250 per month, the entire amount is counted as income in the Wisconsin Shares Child Care financial eligibility test.
- Earned Income and Supplemental Security Income (SSI) payments of Minor Dependents
- Earned Income Credit (EIC), income received under the federal/state EIC, or payments made by an employer under the federal advanced EIC
- State and federal tax refunds and Homestead Credit Payments
- Any educational aid received under any state or federal program regardless of how the funds are used
- Any educational scholarships or grants provided by public or private organizations that are used for tuition and books
- Work Study Income
- Income received for Foster Care, Kinship Care, Subsidized Guardianship, or Adoption Assistance payments
- Loans (including educational aid loans and private student loans)
- Reverse Mortgage Loan Proceeds (1993 Wisconsin Act 88)
- Job Access Loans
- Benefits for Students Aged 18 Years Old
- W-2 payments (Community Service Job [CSJ], W-2 Transition [W-2 T], Custodial Parent of an Infant [CMC], At Risk Pregnancy [ARP], Stipends for Noncustodial Parents [TSP], or Case Management Follow-Up Plus [CMF+]), Emergency Assistance payments, and Wisconsin Shares Child Care subsidy payments

- The wage subsidy portion of income from Trial Employment Match Program (TEMP), Transform Milwaukee Jobs (TMJ), or Transitional Jobs (TJ)
- Reimbursements: money paid to the individual to reimburse actual expenses incurred or paid, or both. May include a per diem allowance for travel, uniforms, transportation, out-of-pocket expenses, medical reimbursements, or reimbursement for a volunteer's out-of-pocket expenses incurred in the course of his/her work
- Gifts: Cash gifts, such as for birthdays, graduation, and holidays
- Earmarked Funds (previously titled "Windfalls"): Any amount received that is earmarked and used for the purpose it was paid, such as back medical bills from an accident or injury, funeral and cemetery costs, and replacement or repairs. For medical services which can be provided only at a future date: Disregard any amount earmarked for those services, provided there is a signed agreement specifying: the source and amount of the settlement; the purpose for which it is earmarked; that the amount is held in its own account; and that it is agreed to and understood that if all or part of the settlement is used for a purpose other than for what it is earmarked, that amount used will be considered available income and counted when determining eligibility and copayments.
- Federally-Funded Benefits: Any income from sources required to be disregarded by federal or state law. Such sources include, but are not limited to: **Higher Education Act of 1965 (PL 89-329)**; Nutrition Program benefits from National School Lunch Act (PL 79-396), Food Stamp Act of 1977 (PL 88-525), Child Nutrition Act of 1996 (PL 89-642); Indian Tribal Federal Settlements; Housing Act of 1949 (PL 81-171); Older Americans Act (PL 89-73); Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646); Robert T. Stanford Disaster Relief and Emergency Act (PL 93-288); Housing and Community Development Amendments of 1978 (PL 95-557), however, wages from the act may be counted as income; Low Income Energy Assistance Act of 1981 (PL 97-35); Old Age Assistance Claims Settlement Act (PL 98-500); Workforce Investment Act: WIA for Adults, Rapid Response, and Dislocated Workers, National Emergency Grants, Trade Adjustment Act, unless specifically earmarked for child care expenses; Refugee Resettlement Reception and Placement income for Iraqi and Afghan immigrants who have been granted Special Immigration Visas (SIVs) under Section 1059 of the National Defense Authorization Act (PL 109-163).

CARES WORKER WEB (CWW)

There are no changes to CARES Worker Web (CWW) as a result of this policy clarification.

CONTACTS:

For Wisconsin Shares Child Care policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at BROCCPolicyHelpDesk@wisconsin.gov.

For Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Subsidy and Technical Assistance line at: childcare@wisconsin.gov or (608) 422-7200.