

Subsidy Specifics: Training for New Providers

Subsidy:

- Parents are charged a parent fee. This “Parent Fee” is approved based on their Total Family Income.
- You will get \$250 total for each family on subsidy. Example: Parent Fee: \$58 (CAT 1). You get \$192 reimbursement from Air Force.
- You will receive Household Member Incentive (HHM) of \$100/week for children under 2 years old, \$75.00/week for children 2-7 years old. You ONLY receive this when one other subsidy family is enrolled in care at least 30 hrs./week
- You determine the rates you charge for families not on subsidy.
- Subsidy is paid mid-month on the 15th of each month.
- Timesheets are due on Tuesday of each week (for the week prior). So, on Tuesday September 12th, the timesheet for Sunday, September 3rd – Saturday, September 9th is due.

Regarding Vacation Time:

- Each child enrolled in subsidy gets 2 weeks of vacation. This is 2 weeks of subsidy reimbursement that the provider will receive, but the parent has to pay. If parents don’t pay, you don’t get the reimbursement. Only 2 vacation weeks/year. Not Fiscal year. This is based on calendar year.
- If provider is on vacation and children do not go to any other provider (stay home/use leave), then do not charge the parents for that week. Write 0 for the week in “Parent Fee Paid.”
- If you are closed for the whole week, do not charge the parent. You will not get subsidy reimbursement. If parent is in care for even one part of a day and parents pay for the week, you will get the whole week reimbursement.
- If children do not come to provider, the provider does not get the subsidy reimbursement. If provider is not open and on vacation/sick, no reimbursement. If the child does not come to the provider for a whole week and are all out of vacation weeks (has already used their allotted 2 weeks for the year), you will not receive the reimbursement.
- If parents pay even if you’re closed, provider will NOT get reimbursement. Provider is closed.
- So if provider was going to be open, parent would use one of their vacation weeks and still pay the provider. If provider is going to be closed for vacation and parent chooses to not be with another provider, then parent should not pay provider. Provider will NOT get subsidy reimbursement.
- If your subsidy child will be going to another provider for the day, you will pay out \$50 for the day to the other provider (because you will get \$250 for the week for this child on your timesheet). Please mark “other” for the day.
- Please note: you must honor your contract vacation policy. For example, if you state in your contract that you give parents one week of free vacation per year, then you need to give the parent that free week of vacation (zero out your timesheet). After that, then you can obtain the two weeks of parent paid subsidy vacation where you’ll receive the subsidy reimbursement.

Taxes:

- It’s up to you how you do your taxes. You can always reference Tom Copeland’s books on our FCC Resource Shelf (he also has a blog). This shelf includes other excellent business books! There are additional resources available online!

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