Child and Adult Care Food Program – Child Care
Procedure for Approval of Household Income Statement Forms

These step-by-step instructions are to be used by child care centers participating in the Child and Adult Care Food Program (CACFP) when reviewing and approving Household Income Statement (HIS) forms to correctly determine category A, B or C eligibility. Households are not required to complete an HIS form to participate in CACFP. If a household declines to complete the HIS form, the participants must be assigned category C. Participants or households with incomplete forms must also be assigned category C until the HIS form is completed and approved by the sponsor. Only the participant name(s) may be pre-printed on the form; all other information must be provided by the household.

1. Determine the type of HIS Form

   The minimum information required on an HIS form depends on the type of HIS form. There are four types of HIS forms, depending on which sections of the HIS form have been completed by the household:

   a. Case Number - HIS Form
   b. Case number is provided in Step 2 of the HIS form. (If case number is provided, disregard any household size/income information provided in Step 3 of the HIS.
   c. Foster Children Only - HIS Form
   d. All household children listed in Step 1 of the HIS form who are enrolled for care are foster children.
   e. Household Size/Income Only - HIS Form
   f. Household incomes are provided in Step 3 of the HIS form. (None of the children in Step 1 are foster children and no case number has been provided in Step 2.)
   g. Combination Household Size/Income and Foster Children - HIS Form
   h. Step 1 of the HIS form shows that some, but not all, of the children enrolled in care are foster children.
   i. Other, non-foster children, may be approved based on household size/income information provided in Step 3.

2. Review Form for Completeness

   Based on the type of HIS form as determined above, review the form according to the chart below to determine whether there is any missing information. If the form is missing required information, return the form to the household to be completed. If required information is obtained via phone or other form of communication, document the changes on the HIS form along with your signature, date, who was contacted, method of contact, and any other information as needed.
Minimum Information Required
For a Complete Household Income Statement

<table>
<thead>
<tr>
<th>Sections of household Income Statements</th>
<th>Case Number HIS form - required sections ¹</th>
<th>Family Size/Income HIS form - required sections ²</th>
<th>Foster Child HIS form - required sections ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Names of children</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>1. Box(es) checked to indicate foster status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Case number</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Assistance programs (boxes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Last four digits of the signer’s Social Security number (SSN) or indication of no SSN</td>
<td></td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>3. Regular income to children</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Names/Incomes of adults</td>
<td></td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>4. Signature of adult household member</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
</tbody>
</table>

3. Review and Approve HIS Form

a. Approve Case Number – HIS Form

All household children are categorically eligible for Category A if a valid case number is provided in Step 2. Disregard any household income information provided in Step 3 of the HIS form.

1) In the Sponsor Use Only section, check the box indicating approval for Category A based on case number.
2) Sign and date the Sponsor Use Only section.
3) Assign effective dates starting on first of the month in which you approved, signed, and dated the form through the last day of the same month the following year. For example: October 1, 2019 - October 31, 2020.

¹ If a case number is provided, the HIS form is approved for the household based on the case number and the signature of an adult household member. Any income information provided by the household is not considered. The case number must be from the Minnesota family investment program (MFIP), Supplemental Nutrition Assistance program (SNAP) or Food Distribution on Indian Reservations (FDPIR).

MFIP and SNAP case numbers are four to eight (Usually seven or eight) digits with no letters. FDPIR uses the social security number for case number. A Medical Assistance case number, Patient Master Index number (PMI), child care assistance case number or a WIC number does not qualify for CACFP purposes.

² If an HIS form has one or more children who are foster children, and children who are not foster children refer to section 2d of this procedure for instructions.
b. Approve Household Size/Income Only – HIS Form
If there is no case number and no foster children, approve the form based on income.

1) Determine the total number of household members (number of people listed in Steps 1 and 3 of HIS form).
2) Determine the total income for the household from Section 3, including any regular incomes to children.

If all household incomes are reported at the same frequency (example: all incomes are weekly, or all incomes are monthly, etc.), add all income amounts together for total household income.

If household incomes are reported at different frequencies (example: income is reported weekly and monthly, etc.), convert all income amounts to annual incomes and add together for total annual household income. To convert incomes to an annual income, multiply weekly income by 52, every two weeks income by 26, twice per month income by 24, and monthly income by 12.

3) Compare the total household income to the current CACFP household income eligibility guidelines.
4) In the Sponsor Use Only section, record the total household size and income. Mark the approval category of eligibility (A, B, or C) based on income. The category of eligibility applies to all children listed on the form.
   o Approve for Category A if total household income is within the income range shown in the Category A column.
   o Approve for Category B if total household income is higher than Category A but within the income range shown in the Category B column.
   o If income is higher than the range shown for Category B, approve for Category C.
5) Sign and date the Sponsor Use Only section.
6) Assign effective dates starting on first of the month in which you approved, signed, and dated the form through the last day of the same month the following year. For example: October 1, 2019 - October 31, 2020.

c. Approve Foster Children Only – HIS Form
Foster children are categorically eligible for Category A without household income information.

1) In the Sponsor Use Only section, check the box indicating approval for Category A based on foster child status.
2) Sign and date the Sponsor Use Only section.
3) Assign effective dates starting on first of the month in which you approved, signed, and dated the form through the last day of the same month the following year. For example: October 1, 2019 - October 31, 2020.

d. Approve Combination Household Size/Income and Foster Children – HIS Form
If an HIS form has a combination of foster children and other children in the household, the eligibility of the two groups of children must be determined separately.

1) In the Sponsor Use Only section, check the box indicating approval for Category A for the foster child/children as described above in “c”.
2) Use the procedures described above in “b” to determine the category of eligibility for non-foster children in the household. Include foster children in total household size. Do not count foster care payments as part of household income. Include personal income earned by the foster child.
3) Document the category of eligibility for non-foster children in or near the Sponsor Use Only section. Specify which children are approved for which category of eligibility next to their names in Step 1 of HIS form.

4) Sign and date the Sponsor Use Only section.

5) Assign effective dates starting on first of the month in which you approved, signed, and dated the form through the last day of the same month the following year. For example: October 1, 2019 - October 31, 2020.

4. Option to Approve Based on Parent Signature Date

Sponsors can choose to approve all forms using this alternate method for assigning effective dates based on parent signature date. Household Income Statements-Option to Approve Based on Parent Signature Date.

5. Only for Centers with Separate Meal Charges (“Pricing” Centers)

Centers that have separate meal charges must notify households in writing of approval or denial of meal benefits. If approved for Category A, meals must be provided at no charge. If approved for Category B, meals must be reduced at a reduced charge (maximum of 30 cents per breakfast, 40 cents per lunch and 15 cents per snack).

Annual Verification Requirement: “Pricing” centers must annually (each fall) verify three percent of approved HIS forms by requiring a randomly selected sample of households to submit verifying information. Refer to Verification Requirements for Pricing Centers available on the MDE website.

6. Additional Resources

For more information on collecting and approving household eligibility information, refer to these resources available on the USDA website:

- Approving Household Income Statements for Child Care – recorded web-based training
- Independent Child Care Centers Handbook (Part 3)
- Eligibility Manual for School Meals (School Meals and CACFP have the same eligibility rules for meal benefits. The Eligibility Manual for School Meals is the most detailed resource on eligibility questions such as what types of income must be reported).