U.S. Customs and Border Protection (CBP) Child Care Subsidy Program (CCSP) Employee/Family Handbook
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(*This page must be completed, signed and returned to the USDA Child Care Subsidy Program to activate your U.S. Customs and Border Protection (CBP) Child Care Subsidy Program Benefit)

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Introduction

The U.S. Customs and Border Protection (CBP) Child Care Subsidy Program provides a contribution toward the total cost of child care for Eligible CBP Employees. The benefit was created to assist CBP Employees whose children attend Licensed, Registered and/or Accredited Child Care Programs. Child Care Providers and Parents must apply for benefits via the USDA Child Care Subsidy Administration Program as the 3rd party administrator for the CBP. The Family portion of child care costs plus the amount of the CBP Child Care Subsidy Program Benefits will equal the Child Care Provider’s rate. Eligibility will be determined based on the CBP Child Care Subsidy Program guidance and may be updated at any time throughout the year at the discretion of the CBP.

- The CBP Child Care Subsidy benefit is available to income qualified employees. *(Contractors are not eligible)*
- Families may qualify for subsidy benefits in accordance with the CBP Child Care Program Subsidy Benefit Table. The subsidy benefit is based on the Employee’s Total Family Income (TFI) from their most current Federal Tax Return Form 1040 or 1040A and may include business income, rental income, and/or any other recurring income as listed on the most recent federal tax information.
- Eligibility to receive benefits can only be determined once all required documents are submitted for review.
- The CBP Child Care Subsidy Program guidelines require that the USDA Child Care Administration Program maintain current documents from the Employee, their Spouse/Partner or other parent if physical custody of the child/children is not with the CBP Employee, if applicable, along with the Employee’s Child Care Provider in order to determine continued eligibility in the program.
- Eligibility will be determined based upon the CBP Child Care Subsidy Program guidelines.
- CBP Program guidelines may be updated at any time throughout the year at the discretion of the CBP and will be communicated to the USDA for implementation.

CBP Child Care Subsidy Benefit Program Overview

The intent of the CBP Child Care Subsidy benefit Program is to help meet the needs of income eligible Families where the Spouse/Partner is working and/or attending school. Employees must use a Licensed, Registered and/or an Accredited Child Care Provider in order to be deemed eligible for benefits.

The Employee’s eligibility date will be the first of the month in which the Employee applies or the Child’s first day in childcare, whichever is the latest of the two dates. The Employee is financially responsible for all child care costs prior to and after their removal from the CBP Child Care Subsidy Program.
CBP Child Care Subsidy benefits are calculated based upon the child’s attendance to include hourly, daily, weekly and monthly care with benefits being paid directly to the qualifying Child Care Provider on a monthly basis on or after the 15th of the month for the current month of care.

The Employee and Child Care Provider will receive a benefit authorization letter from the USDA Child Care Administration Program informing them of the benefit that the Family is eligible to receive.

Eligibility Requirements for CBP Families

- CBP Employees who meet the income guidelines as set forth by the CBP. Contractors are not eligible for benefits.
- The Employee’s Spouse/Partner must be working, attending school, or actively seeking employment. In the event that the qualifying U.S. Customs and Border Protection Employee does not have physical custody of the child/children for which benefits are being requested, the custodial parent’s financial information is required in order to process the Employee’s application for benefits.
- The child/children, for which the Employee is applying, must be the legal dependent of the Employee and must be listed on the Employee’s Federal Tax Return in order to qualify for benefits under this program.
- The benefit is available for children from birth through 12 years of age.
- A qualifying Child Care Provider must be used for the care of the Employee’s child.
- The CBP Child Care Subsidy program requires that the Child Care Provider be Licensed, Regulated, and/or Accredited in order to be considered a qualifying Child Care Provider.
- Care provided in the home where the Family/child resides is not authorized under the CBP Child Care Subsidy Program guidelines.

Program Responsibilities:

Once you determine that you may qualify for benefits based upon the criteria above, you may apply for a CBP Child Care Subsidy Benefit. Please be aware that there are responsibilities that you, your Child Care Provider, the USDA Child Care Subsidy Administration Program, and the CBP have once this process begins. These responsibilities are to ensure that CBP Child Care Subsidy benefit Program guidelines are adhered to based upon the intent of the program.

Employee/Parent Responsibilities:

1. The Employee/Family will be financially responsible for all child care costs until their application for child care subsidy benefits has been approved and the Employee and their Child Care Provider have received their CBP Child Care Subsidy Program Benefit Letter.

2. The Employee is required to sign and return the Statement of Understanding which is the final page of this handbook with their application package certifying that they have read the handbook and understand the terms and conditions of the CBP Child Care Subsidy Program in order to become eligible for benefits.

3. Complete the application process ensuring that all required forms have been submitted to the USDA within the established timeframe in order to determine eligibility.
4. Employees will have 30 days to complete the application process, failure to provide all requested Information will result in your application for Child Care benefits being declined.

5. Meet program guidelines and use a qualifying Child Care Provider.

6. Report any discounts or other subsidies being received to the USDA Child Care Administration Program immediately to be included in your file.

7. Review and sign the USDA Invoice/Attendance form each and every month to ensure accuracy and request payment. Photocopies and/or stamps of a Member and/or Provider’s signature will not knowingly be accepted for payment.

8. Pay the Family portion of child care costs directly to the Child Care Provider.

9. Sign the CBP Invoice/Attendance form each and every month ensuring that the information contained on the request payment/invoice is accurate.

10. Make payment arrangements for child care needed for the following:
   a. Personal reasons that are not authorized
   b. Late Fees
   c. Extracurricular activities
   d. Any additional fees charged by your child care provider that are not included within the standard monthly child care cost

11. Make payment arrangements for child care needed for personal reasons that are not authorized.

12. Report any change to your child care needs immediately to the program administrator (USDA) and your Child Care Provider.

13. Report immediately to the USDA a change to any of the following:
   • Your Family’s size, such as the birth of a child or someone moving in or out of the household
   • Work, training, or education schedule to include summer breaks and/or maternity leave
   • Your Family’s address or telephone number (work and home)
   • Any change in marital status

14. Ensure that Child Care Providers used while participating in the CBP Child Care Program are promptly paid for all child care services rendered. Failure to pay the required Employee portion to any Child Care Provider may result in the Employee being disqualified from the program for one year.

15. Employees are required to respond and/or submit information as requested by the USDA Child Care Administration Program within the timeframe stated to ensure that they remain an eligible participant in the CBP Child Care Subsidy Program. Failure to respond and/or submit the requested information by the date provided will result in the Employee being removed from the program for non-compliance.
16. If the Employee’s Child Care Provider fails to complete the Annual Recertification process as instructed and is officially removed from the program, the Employees currently attending this Child Care Provider will be given 2 weeks to respond to the USDA’s request for their status. Employee’s may remain at the center and will be no longer eligible for benefits or may change Child Care Providers thereby using a Provider is currently participating, or one who is willing to enroll and participate in our child care subsidy program. Failure to submit the requested information by the date provided will result in the Employee being removed from the program and financially responsible for all child care costs.

Provider Responsibilities:

1. All providers must meet the CBP child care Licensing, Registration and Accreditation requirements for the type of child care business they operate under the CBP Child Care Subsidy Program. The following types of child care programs are accepted under the CBP Program guidelines:

   **Family Child Care:**

   Family child care is home-based care provided for a portion of the day in a private family home for compensation on a regular, ongoing basis and must be inhabited by the family/individual that is providing care. States limit the provider’s hours of operation and number of children who can be cared for in a home environment. Family Child Care Providers must be licensed by the state and the care providers must have basic training in first aid, safety, and child care including child abuse and neglect prevention. Many in-home providers also have training in early education.

   **Center Based Child Care:**

   Commercial child care centers/day care centers provide child care in a group setting for a set number of hours and provide standardized and regulated care. There are planned educational activities and children may be grouped by age or placed in mixed age groupings. Day care centers are licensed to provide care for infants, toddlers, and/or pre-school age and they are usually open all day. Classes are usually largest in this type of care; ratios of children to adult caregivers will vary according to state licensing requirements.

   **Federal Based Child Care:**

   Some Federal agencies sponsor on-site child care centers for their employees and families seeking to use this type of child care. The space at federal child care centers may be available to non-federal employees; however, priority for child care services will be given to federal employees.

2. Meet program rules and requirements in order to receive a CBP Child Care Subsidy Benefit.

3. Are required to sign and return to the USDA Child Care Administration Program the Child Care Provider’s Statement of Understanding with their application package.

4. Provide current and accurate child care rates and attendance to the USDA Child Care Administration Program in order to properly calculate an Employee’s CBP CCS benefit.
5. Keep complete and accurate attendance records according to Licensing, Registration or Accreditation regulations and/or contract requirements. Maintain records for future reference as needed.

6. Submit to the program administrator (USDA), any changes/uploads to status as a licensed and/or accredited Child Care Provider.

7. Provide notification within 10 days if/when a CBP Employee’s child or children have left care.

8. Provide notification prior to a CBP Employee’s child’s rate and/or attendance change. Failure to provide this information in advance of the action may result in an over or underpayment in CBP CCS benefits. In instances where notification is made after the fact, the Employee’s benefit will be suspended until the Rate/Attendance Change Action is complete and an audit of payments issued on the Employee’s behalf has been performed. If an over-payment is identified, the Employee’s USCG CCS benefit will not be reinstated until repayment of CBP CCS benefits issued on his/her behalf has been received by the USDA Child Care Administration Program.

9. Child Care Providers may submit one rate change per year and will be required to notify the USDA at least 15 days prior to the effective date of the change. Failure to promptly report updates and/or changes to your child care rates may result in an over or underpayment. Additional rate changes not associated with an attendance change or when the child ages up will not be processed.

10. Must submit Invoice & Attendance records to the USDA that are properly completed and signed by the Employee, Spouse or POA; and a representative of the child care center for payment. Invoices must be submitted on/after the 15th of the month for the current month, or within 3 months of the period of service in order to eligible for payment. Invoices received prior to the 15th of the month will not be processed for payment requiring that the Child Care Provider or Employee resubmit the forms to the USDA Child Care Administration Program for payment. Invoices not received within 3 months/90 days from the end of the period of service will not be honored for payment.

USDA Child Care Subsidy Administration Program Responsibilities as the Third Party Administrator:

1. Determine a Family’s eligibility for child care subsidies based upon CBP Child Care Subsidy Program guidance and benefit tables.

2. Authorize benefits based on the amount of child care needed by eligible Families for approved child care.

3. Pay Providers for authorized and billed child care services provided to an eligible Family.

4. Inform Families and providers of CBP Child Care Subsidy Program updates as applicable. (E.g. Start/end date, payments, notifications of expired documents, etc.)

5. Assess and resolve overpayments and underpayments.

6. Answer questions related to eligibility, authorizations, and payments.
7. Will inform the Employee within 10 days of the receipt of a Family’s application that their application has been accepted. If the application is incomplete, the USDA will inform the Employee of the information/documents needed in order to complete the application process.

U.S. Customs and Border Protection Responsibilities:

1. Develop operational guidance for the CBP Child Care Subsidy Program and ensure that the USDA has the most current guidance and applicable policies.

2. Ensure that the USDA, as the third party program administrator, follows all established guidelines as set forth by the CBP.

3. Perform audits on records and files ensuring proper documentation is maintained in accordance with established operational guidance.

Child Care Qualifications: Full Time vs. Part Time

The child/children’s attendance will determine the calculation of benefits as full time or part time with the Family being responsible for any balance above the authorized benefit. The type of care will be evaluated to determine the amount of CBP Child Care Subsidy benefits that the Employee will be eligible to receive.

U.S. Customs and Border Protection Child Care Subsidy Benefit Determination

Important Facts

The CBP will provide a Fee Category Table/Child Care Subsidy Calculation Table which includes the Total Family Income Fee Category, Minimum Employee Portion, and Maximum Benefit allowed per child. Based upon the CBP Child Care Subsidy Program guidelines, benefits may be available for all legal dependents from birth through 12 years of age of the qualifying CBP Employee.

- Both Parents and Providers must remain eligible for the CBP Child Care Subsidy benefit in order to receive payment.

- The amount listed on the CBP Child Care Subsidy Benefit Authorization Letter is the amount that will be paid each month directly to the Child Care Provider. If the Family terminates child care and/or switches to a new Child Care Provider, the monthly CBP child care subsidy benefit is pro-rated. In either case, the Employee/Family is responsible for any remaining balance.

- Providers may submit one rate change per year and will be required to notify the USDA at least 15 days prior to the effective date of the change. Failure to promptly report updates and/or changes to your child care rates may result in an over or underpayment. Additional rates changes not associated with an attendance change or when the child ages up will not be processed.

- During summer months, school-age child care rates may change based upon attendance, at which time the benefit will be recalculated.
- Child care rates submitted as a weekly rate will be multiplied by 4.33 to determine the monthly rate.

- The CBP Child Care Subsidy Benefit will **NOT** pay fees for:
  - Months in which no care occurs
  - Lateness/Tardiness
  - Transportation
  - Field trips
  - Food
  - Any other miscellaneous fees
  - Tuition for part-day kindergarten and/or elementary education

- CBP Child Care Subsidy benefits will not be made to more than one Child Care Provider for the same child/children for the same hours of care.

- All child care payments are made directly to the Child Care Provider. Payments are made within seven (7) to ten (10) business days from verification of a complete and accurate attendance record.

- Invoices must be properly completed, signed by both the CBP Employee and the Child Care Provider and submitted to the USDA within 90 days/3 months of the Period of Service end date in order for payment to be issued. Invoices must contain original an original signature of both the Employee and Child Care Provider each and every month. Invoices received outside of this timeframe or those that do not contain original signatures will be deemed void and payment will not be issued on behalf of the Employee resulting in the Employee being financially responsible for all child care costs associated with missing invoices.

- CBP Employees must ensure that their Child Care Provider submits invoices in a timely manner in order for payment to be issued on their behalf. Invoices may be submitted by to the USDA by Child Care Provider or the Employee. Employees should reconcile the statement from their Child care Provider on a monthly basis to ensure that the amount of Child Care Subsidy Benefits they certified on the invoice has been properly applied to their account.

- Under no circumstances will child care payments be made to the Family. Families are required to make clear and concise arrangements with their Child Care Provider related to account credits or reimbursements.

- Child Care Providers will only be paid for child/children listed on the CBP Child Care Subsidy Benefit Authorization Letter. If the Family adds a child or children to the program after their original authorization date, they must submit information to the USDA Child Care Administration Program for their benefit to be recalculated.

### Registration and Supply Fees

Providers may be paid one Enrollment, Registration and/or Supply Fees per year for each child enrolled as billed to the Family by submitting an invoice to the USDA for the fee. Fees will only be paid upon receipt of a properly completed invoice.
Payment Process

Payments are issued directly to the Family’s Child Care Provider. Each Child Care Provider will receive a CBP Child Care Subsidy Benefit Invoice & Attendance Form for each child that qualifies for CBP Child Care Subsidy benefit. Per CBP guidance, each Invoice & Attendance Form submitted to the USDA for payment must be properly completed and must include the signature of a qualifying Child Care Provider program official along with the Employee, the Employee’s Spouse, or the Employee’s Power of Attorney. Each invoice must contain a valid, original Employee and Child Care Provider signature, photo copies will not accepted for payment.

Please note that if a Power of Attorney (POA) is signing the form on behalf of the Employee, the program administrator (USDA) must have a copy of the most current POA in order to process for payment.

Example of U.S. Customs and Border Protection (CBP) Child Care Subsidy (CCSP) Program Invoice & Attendance Record issued by the USDA Child Care Subsidy Administration Program to a qualifying Child Care Provider to bill for their services.
Please see below a sample CBP Child Care Subsidy benefit Invoice & Attendance Form which provides instructions on the completion of the form. All Invoice & Attendance Forms must be submitted to the USDA Child Care Subsidy Administration Program within 90 days/3 months of the period of service that child care was provided.

By signing and certifying the invoice for payment, the Child Care Provider and Employee attest that the total cost written on the form is the actual amount of child care costs billed to their Family for the period of service indicated and that the Family portion has been paid or has made payment arrangements for the Employee portion as listed on the invoice.

Please note that Employees are required to pay the Employee portion as listed on their benefit letter and invoice prior to any benefits being issued to the Child Care Provider on their behalf.

Invoices containing “NC” on business days within the Attendance & Billing Record will be prorated and paid based upon the attendance as listed. Qualifying CBP Employees need to ensure that the invoice correctly reflects the proper dates for which they were billed in order for their CBP Subsidy Benefit to be properly paid.
Billing Errors

Billing errors may cause an underpayment or an overpayment. The Parent and Child Care Provider are required to provide correct information in relation to the CBP Child Care Subsidy benefit received. If the Provider was to receive an overpayment of CBP Child Care Subsidy benefits, a refund or offset of the amount of the overpayment would be due. Any overpayments, including those due to a USDA/CBP error, must be reported immediately to the Family's assigned Agency Representative.

If the USDA determines that an overpayment was issued, an audit of the Employee’s file will be performed to validate the payments issued. The Child Care Provider and/or Family will receive an official notification which may include a request that funds be returned for further credit to the CBP or that future invoices will be offset (maximum offset period allowed is 90 days).

The USDA Child Care Subsidy Administration Program is responsible to collect erroneous payments made to Child Care Providers for the following reasons which include but are not limited to:

- Erroneous or false information regarding eligibility or care provided
- Duplicate payments or payments made for services not rendered
- Payments made for ineligible providers or families

The USDA Child Care Subsidy Administration Program will make reasonable efforts to collect overpayments making a minimum of three notifications to providers and Families. Failure by the Child Care Provider and/or Family to return any requested overpayment/erroneous payment will result in a federal debt being established to collect the monies. For Family’s that incur an overpayment due to incorrect information provided in order to calculate the benefit or a change in the Family status that affects their eligibility, the USDA Child Care Subsidy Administration Program will provide documentation to the CBP Child Care Subsidy Program for review and action. The USDA will act on behalf of the CBP Child Care Program for all financial decisions pertaining to child care subsidy payments issued.

Families or Child Care Providers who give erroneous or false information may be permanently disqualified from participating in the CBP Child Care Subsidy benefit program upon approval of the CBP Child Care Subsidy Program Manager.

Payment Reconciliation

Families are required to pay their portion of the total child care costs directly to their Child Care Provider. Neither the USDA, nor the CBP, has any responsibility for ensuring that the Family pays their portion. However, failure by Families to pay their portion of child care costs may result in discontinued CBP Child Care Subsidy benefit. In addition, failure by the Child Care Providers to reimburse Families or credit their account for CBP Child Care Subsidy benefit received may result in disqualification from the program and repayment of funds.
Families are financially responsible for all child care costs until a U.S. Customs and Border Protection (CBP) Child Care Subsidy Benefit has been awarded and accepted by both the Employee and Child Care Provider.

Families are eligible for the CBP Child Care Subsidy benefit only if/when their application has been approved. The Employee’s Eligibility/Benefit Effective Date will be the first of the month in which the Employee applies or the child/children’s first day in child care, whichever is the latest of the two dates.

You must be an Employee of the U.S. Customs and Border Protection in order to be eligible to receive benefits under CBP Child Care Subsidy Program. Any change in your employment status with the CBP must be reported to the USDA Child Care Subsidy Administration Program immediately for further review. U.S. Customs and Border Protection families participating in other subsidy benefit programs may be eligible for a CBP Child Care Subsidy Benefit; however the CBP benefit is calculated after these discounts have been applied to the standard rate. Contractors for the CBP are not eligible.

As a participant in the CBP Child Care Subsidy Program, you agree to provide any and all information requested by the USDA Child Care Subsidy Administration Program and/or the CBP related to your application, payments issued on your behalf, eligibility, and the child care costs charged to you by your provider. The submission of this information will be used in order to determine eligibility in the program. Failure to provide requested information within 30 days of the day of the request will result in your removal from the program and you will be responsible for all child care costs.

You must notify the USDA Child Care Subsidy Administration Program if and when your child is no longer enrolled with the Approved Child Care Provider identified on your application. The subsidy is not transferable to another child care provider. You must reapply for the subsidy should you change child care arrangements.

Employees are responsible for reporting any Child Care Actions to the USDA Child Care Administration Program to include but not limited to Provider Changes, Rate Changes, Attendance Changes, Adding or Removing a Child from the Program, etc. prior to the action taking place. In instances where a notification is made after the action has occurred may result in the Employee being financially responsible for the difference in child care costs based upon what was previously awarded from the date of the action through the first of the month in which notification was made to the USDA Child Care Administration Program

Due to the variation of oversight and regulation in different states and the CBP Child Care Subsidy Program guidelines, the USDA Child Care Subsidy Administration Program reserves the right to determine which types of Child Care Providers in each state meet the minimum eligibility requirements for participation in CBP Child Care Subsidy Program. If your Child Care Provider’s standing with their state child care licensing authority changes or is revoked, this information must be reported to the USDA Child Care Subsidy Administration Program immediately.

Employees are responsible for reporting any changes that may affect their status as a CBP Child Care Subsidy recipient, or your Families cost for any reason to the USDA Child Care Subsidy Administration Program as soon as it has been identified. Including but not limited to: changes in your personal and/or financial situation, or that of your Spouse/Partner; such as but not limited to any change in employment (leaving their current employer and starting a new job), school enrollment (graduating, no longer attending, summer break and/or other extended break), marriage, divorce, a partner who has entered or left the home, the birth or adoption of a child, etc. Failure to promptly report any change to the USDA Child Care Subsidy Administration Program that causes an erroneous payment on your behalf may result in your Child Care Subsidy Benefit being terminated for non-compliance and subsequent collection action of the erroneous payment from you.

CBP Employees will need to research their individual situation or consult a tax advisor to determine how their taxes will be affected by a subsidy. In general, if you receive a subsidy that is greater than $5,000 ($2,500 for married, filing separately), your taxable income will increase by the difference between the actual subsidy and $5,000, if there is any. For example, if you receive a subsidy of $5,500, your taxable income will increase by $500. This information will also be included on your W-2.

Any program policy infraction to include but not limited to providing incorrect child care cost, knowingly or unknowingly which causes an overpayment of a CBP Child Care Subsidy benefit may result in you being disqualified from the program. In addition, repayment of monies received due to this misrepresentation will be required by the Provider and/or Employee.

Invoices must be properly completed, signed by both the Employee and Child Care Provider, and submitted to the USDA on a monthly basis. Invoices submitted to the USDA for payment must contain an original signature from the Employee and the Child Care Provider. Under no circumstances will photo copies of a document containing the Employee or Provider’s signature be knowingly accepted by the USDA for payment. Invoices submitted after 90 days following the end of the period of service will not be eligible for payment resulting in the Employee being financially responsible for the Child Care cost incurred for that period of service.

By completing the application process through the USDA Child Care Subsidy Administration Program, I attest that I received, read and understand the CBP Child Care Subsidy Program guidelines as set forth in the handbook.

Printed Name of CBP Employee _____________________________ Date _____________________

Signature of Qualifying CBP Employee _____________________________ Last 4 of SSN _____________________

Parents who misrepresent information used to calculate their subsidy benefit may have their subsidy benefit terminated and be financially responsible for repayment of any Child Care Subsidy Benefits issued on his/her behalf due to incomplete, inaccurate information used in the calculation of the Child Care Subsidy Benefit.

U.S. Customs and Border Protection (CBP) Child Care Subsidy (CCS) Program Statement of Understanding

October 02, 2017