


<b>FAMILY INVESTMENT ADMINISTRATION</b> 	<b>CARES BULLETIN</b>
	<b>Effective Date: Immediately</b>
<b>Issuance Date:</b> 2/11/97	<b>Control Number:</b> 97-10

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS**

*Charles E. Henry for*  
**FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA**

**RE: FREQUENCY FACTORS FOR UNEARNED INCOME AND CHILD  
CARE**

**PROGRAMS AFFECTED: TCA AND FOOD STAMPS**

**ORIGINATING OFFICE: DIVISION OF PROGRAM AND SYSTEMS SUPPORT**

**Background:**

In October 1997 the frequency factors for calculating income and deductions changed. FIP policy requires Earned Income and Child Care Deductions to be calculated using a 2 and 4 week month instead of the 4.3 and 2.15 frequencies. This factor is applied equitably across all other income frequencies including monthly, bi-monthly, quarterly, semi annually and annually. Unearned income also uses a 4 and 2 week month frequency calculation however, unearned income received less frequently than twice a month is counted in full. The CARES system has been reprogrammed to accurately determine the correct amount of earned income but not child care or unearned income.

**Action Required:**

**Child Care**

Calculate child care to a monthly deduction amount and enter on the CARE screen. For example, if a customer pays \$25.00 in child care per week, (25 x 4), \$100 must be entered as actual on the CARE screen. Another example is a customer who pays child care annually. In this case the child care amount is divided by twelve and then divided by 4.3 and multiplied by 4. (1290/12/4.3 x 4) Refer to CARES Bulletin 97-02 for additional information related to the maximum child care deduction.

**Unearned Income**

The unearned income frequencies of weekly and biweekly were the only two affected by FIP policy. If a customer receives unearned income on a weekly basis multiply by 4; if biweekly, by 2. Enter the sum of this multiplication as actual on the UINC screen. Enter all other frequencies as usual.

Thank you for your assistance in this matter. If you have any questions regarding this bulletin, please contact the DHR Help Desk at (410) 767-7002 or 1-800-347-1350.

cc: DHR Executive Staff  
IMA Management Staff  
Help Desk  
CTF