



SRS
In-Home Child Care
Handbook

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This handbook is designed to be a resource for you and to answer questions regarding SRS child care policies for In-Home Child Care.

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IN-HOME CHILD CARE QUESTIONS AND ANSWERS

1. **Question:** **How do parents get started?**

Answer: To get started, parents must follow three simple steps.

Step 1: Contact IRS.

Since you will be hiring a person to work in your home, you will be their employer. In-Home care givers are your employees and must be paid in compliance with federal wage laws governing domestic workers (minimum wage). The SRS subsidy will not cover your entire cost.

For more information about tax responsibilities, including how to withhold taxes and what records to keep, see the IRS website at www.irs.gov and locate IRS publication 926 Household Employer's Tax Guide. It tells you how to request tax forms for paying withholding taxes for your employee's wage.

You need to request an Employer's Identification Number from the IRS. This can be done in several ways. To obtain this number quickly, access the IRS website at www.irs.gov and insert "EIN" in the search engine. Follow IRS instructions from there.

A copy of the document containing your FEIN number must be provided to SRS. For further information, contact the IRS or a tax consultant. SRS will not be able to answer these tax questions.

Note: Withholding taxes cannot be paid using the EBT benefits.

Step 2: Select your provider/employee.

Select someone you trust to care for your child. Although SRS will do a limited background check, it is not a guarantee that your provider/employee will give good care for your child. You are responsible for selecting a person you trust. Your Child Care Resource and Referral (R&R) agency can help answer your questions about choosing a provider/employee.

Please keep in mind that your provider/employee must have a bank account to receive payment from you through the state's Electronic Benefit Transfer (EBT) Vision card system.

Step 3: Complete and return the required SRS paperwork.

This includes a copy of the assigned FEIN obtained from the IRS.

2. **Question:** **Does the care have to be in my child's home?**

Answer: For you to be eligible for child care subsidy for an in-home provider, the provider/employee must care for your child in the child's home.

3. **Question:** **Can SRS help pay for child care in my provider's home?**

Answer: If you prefer to have your child cared for in your provider's home, the provider must be licensed or registered by the local health department, or meet SRS relative requirements AND they must complete SRS paperwork to be enrolled as an SRS Provider.

If care will be in the provider's home, **a different enrollment packet will need to be completed - not the In-Home provider/employee packet.**

4. **Question:** **Do the IRS rules stated above apply if my child goes to my provider's home?**

Answer: No. These IRS rules only apply when you hire someone to work in your home as your employee.

5. **Question:** **Will SRS subsidize me if I employ someone who lives with me to care for my child?**

Answer: No. SRS will not subsidize you for care provided by members of your household.

6. **Question:** **How old should my provider/employee be?**

Answer: Your provider/employee must be at least 18 years old.

7. **Question:** **Do I have to let SRS know if I change providers/employees?**

Answer: Yes. There will be some paperwork you must complete so we can check the Child Abuse and Neglect Registry. If your provider/employee's name is listed in the registry, we will not approve subsidy for this person's services. Your new provider/employee must also understand the basic Health and Safety Standards listed on the Home Checklist. The name and information for your new provider/employee will also need to be shared with the State's EBT contractor so that person can receive payment.

8. **Question:** **I may be moving. Is that a problem?**

Answer: We will subsidize you for In-Home Child Care provided at your home address (listed on the SRS Home Safety Check List form). Always notify SRS **prior** to a move and complete the required SRS paperwork right away. You must also report to SRS if your phone number changes.

9. **Question:** **How often do I have to complete forms for this program?**

Answer: An In-Home child care request must be completed **each year**.

10. **Questions:** **How much child care assistance can I expect from SRS?**

Answer: SRS has one statewide hourly rate for in-home child care.

Remember: In-Home providers/employees must be paid, by you, in compliance with federal wage laws governing domestic workers (minimum wage) and the SRS subsidy will not cover your entire cost. An SRS Maximum Hourly Child Care Benefit Rate Chart is available to the public. You should consult a tax

professional regarding payment of withholding taxes.

11. **Question:** **How does the SRS process work and how soon will I receive benefits so I can pay my provider/employee?**

Answer: Once eligibility for child care assistance has been determined and provider/employee approved, a child care plan is developed which indicates the eligibility time frames, number of hours, provider/employee's name, and the rate used to calculate benefits and any family share deduction. The provider/employee must be approved, enrolled with SRS, and contracted with eFunds Corporation (State's EBT contractor). The provider/employee must be able to accept electronic payments before payment can be received from you using your subsidy benefits.

Normally SRS will issue parents a child care benefit on the first day of every month to help pay towards the cost of child care services throughout the month. The benefit can be transferred to the provider/employee in the amount and frequency agreed upon between the parent and the provider/employee. The benefit will be made available to you on the Kansas EBT Vision card received from an SRS Service Center. Parents can use their benefits to make child care payments electronically only to SRS approved and enrolled providers. Parents will not be able to use their Vision card to get "cash" for their child care benefit. If parents also receive cash assistance (TAF), they may also transfer a portion of these funds to pay for child care. Eligible families must notify their case manager before changing providers.

PARENT & PROVIDER/EMPLOYEE RESPONSIBILITIES

The responsibilities of the parent and the provider/employee are divided and require coordination.

Parent Responsibilities

1. Contact IRS regarding tax reporting issues. Request and obtain a Federal Employer Identification Number (FEIN or EIN). Keep any necessary records, including attendance logs, in accordance with IRS policy and SRS policy.
2. Parents are responsible for paying payroll tax withholdings (both the employee's share and the employer's share), and they cannot be paid using EBT child care benefits.
3. Read this Handbook and discuss with the provider, your payment policies and billing procedures.
4. Obtain and complete the In-Home Child Care Request. The parent and provider/employee each sign after completing together.
5. Discuss the Discipline Policy Statement with the In-Home Provider, and set limits for children and provider/employee.
6. Pay provider/employee for child care services received.
7. Notify your case manager of any changes which may affect eligibility or the child care plan.
8. **Never give your EBT card or your PIN to anyone, including your child care provider.**
9. Payment to other unregulated in-home or out-of-home relative providers not specifically approved for your case is prohibited. Improper payments of this type may result in overpayments and/or termination of in-home child care subsidy.

In-Home Provider Responsibilities

1. Understand that an in-home child care provider is an employee of the parent.
2. Discuss parent's payment policies (hourly rate, frequency of payment, etc.) with the parent.
3. Read, complete and sign In-Home Child Care Request with the parent.
4. Give the parent a receipt for services provided.
5. Ask the parent for the name of their case manager so you can notify SRS staff when care is no longer provided.
6. Complete and maintain daily attendance records signed by SRS eligible parent. Keep these files for three years. Providers should retain records to insure correct payment for services provided. This is also for audit/review requirements.
7. Cooperate with SRS auditors and reviewers by providing copies of documents requested, including attendance records.

ATTENDANCE RECORDS

A file of daily attendance records for each SRS child in care must be maintained by the provider/employee. The format needs to include a time in and out each day for each child cared for (to the nearest quarter hour), total hours per week, and the parent's/caretaker's signature at least weekly. The records are to be made available to SRS upon request.

An sample attendance record is provided in on the next page. Another form may be used if it contains the same information as shown on the sample form, However, it must be reviewed and approved by an SRS provider enrollment employee before it can be used.

- **Keep SRS attendance records for 3 years.** Check with the IRS for record retention policies for tax information. It is very important that these records are kept in case of an IRS or SRS audit.
- **Record Actual Times of Attendance.** The attendance record must show actual times care was provided for every SRS eligible child each day.
- **Parent's/Caretaker's Signature.** The attendance record must be signed by the SRS parent/caretaker at least weekly.
- **Failure to Maintain Records.** Failure to complete and retain these records may result in non-payment, overpayment, or termination of SRS subsidy to the parent/caretaker. If you need help with this process or assistance with record keeping, please contact the SRS staff person designated to work with child care providers.

Daily Attendance Record Sample Form

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Child's Name: _____

Month: _____

Day of the Month	In	Out	Parent's/Caretaker's Signature	Total Daily Hours
1 st				
2 nd				
3 rd				
4 th				
5 th				
6 th				
7 th				
8 th				
9 th				
10 th				
11 th				
12 th				
13 th				
14 th				
15 th				
Page Total				

Day of the Month	In	Out	Parent's/Caretaker's Signature	Total Daily Hours
16 th				
17 th				
18 th				
19 th				
20 th				
21 st				
22 nd				
23 rd				
24 th				
25 th				
26 th				
27 th				
28 th				
29 th				
30 th				
31 st				
Total Hours for the Month				

Provider's Signature _____ Date _____

Parent's/Caretaker's Signature _____ Date _____

CONSENT TO MEDICAL CARE

Consult local hospital to be sure this form is acceptable. Written permission of the parent, guardian or legal custodian, for emergency medical treatment must be on file in the child's home for each child, on a form that meets the requirements of the hospital or clinic where emergency care will be given.

I, _____, parent or legal guardian of _____, born ____/____/____, do hereby consent to any medical or surgical care and administration of anesthesia determined by a physician to be necessary for the welfare of _____ while said child is under care of _____.

Signature of Parent or Legal Guardian

State of Kansas

Acknowledged before me this _____ day of _____.

Signature of Notary Public

My commission expires ____/____/____.

Physician: _____ Address: _____ Phone: _____

Hospital Preference: _____

Emergency Phone Numbers: _____
Home Father Work Mother Work

Do you have Health Insurance? ____ Policy Name and Number: _____

Do you receive medical assistance? ____ Program and Care Number: _____

Is child eligible for military medical care? ____ ID Number: _____

Medical Information on Child: (see attached information)

This form must be kept on file in the child's/children's home for each child.

TAX INFORMATION FOR HOUSEHOLD EMPLOYERS

You may owe taxes for people who work in your home.

Definition of “employee”

For Federal employment tax purposes, a household worker is an employee who performs services in and around your home. If you hire someone to do household work and you are able to control what work he or she does and how it is done, you have a household employee. This is true even if you give the employee freedom of action. What matters is that you have the right to control the details of how the work is done.

Examples of household workers are the following: Babysitters, companions for the elderly or infirm, maids, caretakers, nurses, housekeepers, cooks, butlers, family chauffeurs, and maintenance personnel.

Independent contractors, self-employed persons and representatives of an agency or au pair program who work in or around the home are not employees, for Federal purposes.

Initial Steps When Hiring

One of the first steps to take when hiring a new employee is to establish the employee's identity and employment eligibility. This can be done by having the employee complete the Employment Eligibility Verification Form, Form I-9, at the time of hire. The employee must present documents from those listed on the form as acceptable to establish identity and employment eligibility. The employer must review these documents and attest that these documents appear to be genuine and relate to the individual being hired. The employer retains the Form I-9 and must present it, if requested, to officers of the US Citizen and Immigration Services (USCIS), the Department of Labor, or the Office of Special Counsel for Immigration-Related Unfair Employment Practices. Form I-9 can be found in the Handbook of Employers (M-274), and is available in limited quantities from the local office of the US Immigration and Customs Enforcement (ICE). In addition to containing the Form I-9, the Handbook answers many commonly asked questions regarding the employment verification procedures.

In addition, an employee who does not have a social security number (SSN) can get one by completing Form SS-5, Application for a Social Security Card. This form can be obtained at local offices of the Social Security Administration or by calling 1-800-SSA-1213.

The employer's identification number (EIN or FEIN) is issued by the Internal Revenue Service. The EIN is used to complete quarterly and annual employer's tax forms. An employer can apply for an EIN by completing Form SS-4, Application for Employer Identification Number. The Form SS-4 can be ordered by calling 1-800-TAX-FORM. It is also possible to apply for the EIN online at the IRS website at www.irs.gov. For more information, please refer to IRS Publication 926, or contact an IRS representative at 1-800-829-1040. If the employer's tax forms are being filed for the first time and the employer has not applied for an EIN, the employer should write "NONE" in the space provided for the EIN. The Internal Revenue Service will then assign an EIN.

MINIMUM WAGE AND OVERTIME PAY

Under the Federal Labor Standards Act (FLSA) domestic workers are entitled to minimum wages and overtime pay. However, casual babysitters and companions for the elderly and infirm may be exempt from coverage. Some States' minimum wage rates are higher than the Federal rate, in which case the higher rate should be paid. The FLSA permits costs to employers of providing certain facilities, such as meals and lodging, to be counted as part of wages. However, meals and lodging are not subject to social security and Medicare taxes if they are furnished for the employer's convenience, on the employer's premises, and as a condition of employment.

Domestic workers are also entitled to 1-1/2 times their regular rate of pay for hours worked in excess of 40 hours a week unless the employee resides in the household where employed. The FLSA does not require premium pay for weekends, vacations, holiday work or daily overtime; nor does it require rest periods, discharge notices or severance pay. Also, FLSA does not limit the number of hours an employee may be required or scheduled to work, if the employee is age 16 or older. However, some State or local laws may address these matters. More detailed information about FLSA can be obtained from the Wage and Hour Division of the Employment Standards Administration, U.S. Department of Labor, by writing or telephoning the regional office or at the department's website at www.dol.gov. The address and phone number of the regional office can be found under the Federal Government Section of the local telephone directory or at the department's website.

USING YOUR EBT CHILD CARE SUBSIDY BENEFITS TO PAY YOUR PROVIDER

Payments to providers can be made in one of three ways:

1. The first option is using the internet. Parents and/or providers may choose to make and/or track payments using the internet at www.ebtedge.com. Instructions on line will guide you through this process, and if you have questions, help is available at 1-800-997-6666.
2. The second option is to use the toll free telephone number (ARU). If you should choose to use this option, the ARU worksheet and instructions are on the next two pages to assist you in making and recording the transaction. The completed worksheet can serve as a receipt for you and for your provider.
3. Finally, you may swipe your EBT card using a POS device if your provider chooses to lease one. If this option is used, the POS device produces a paper receipt with a copy for you and one for your provider.

CHILD CARE SUBSIDY AUDIO RESPONSE UNIT (ARU) WORKSHEET

This worksheet can be used by the parent to record their electronic payment to the provider when the toll-free telephone option is used. It may also be used as a receipt for both the parent and the provider. Parents always make the transaction. Providers never make the transaction, or have the vision card or PIN of any parent.

1. **Date:** _____ **Time:** _____
(If the payment is transferred prior to 6pm it should be deposited in the provider's account the next business day - weekends and holidays are not considered business days).
2. **Provider Name:** _____.
3. **Provider ID number:** _____.
4. **Parent Name:** _____.
5. **Alternate Payee Name (if needed):** _____.
6. **Child Name(s):** _____.

_____.
7. **Period of time payment covers:**
From: _____ To: _____.
8. **CC Benefits from the Vision Card transferred to provider's bank account (see instructions on back of this form):** \$ _____.
9. **Amount of non-child care benefits (personal funds used to meet this child care payment). If none was used, indicate none:** \$ _____.
10. **Authorization (confirmation) Number:** _____
(given after CC payment made)

Parent/Alternate Signature

Provider Signature

Original – client, Copy - provider

CHILD CARE PAYMENT TRANSFER - AUDIO RESPONSE UNIT (ARU) INSTRUCTIONS

1. Have a pen, ARU worksheet, and your Vision card at hand. Call e-Funds Customer Service at 1-800-997-6666.
2. The system will give you a choice of languages. Choose your preferred language.
3. You will need to have your Vision card ready. Press 1 to indicate you have the card. When prompted, enter your 16 digit Vision card number.
4. You will hear your total child care account balance, as well as any food stamp and/or cash balance. Press 2 for more options.
5. You will hear 5 options. Press 4 for the child care menu.
6. From the ARU child care menu select option 1.
7. If the child care provider's ID number begins with the letter A, the client will press 1. If it begins with the letter B press 2, C press 3, D press 4 (ID numbers will have 7 characters).
8. You will be asked to enter the ID number of your child care provider followed by the pound (#) sign. Use the star (*) key for the letter portion of the ID number (the number will be repeated back to the client).
9. You will be asked to enter the amount of the child care benefits to be transferred. Use the star (*) key for the decimal point, and press the pound or number sign (#) when you are done. For example, if you want to transfer \$56.50, you would press five-six-star-five-zero-pound (56*50#).
10. Listen for the amount you entered to be repeated. If it is correct press 1, if not press 2.
11. Enter your PIN followed by the pound (#) sign.
12. Listen for the message stating that the transfer has been approved. You will be given an authorization number that you should write down on Item 10 on the front of this sheet. You will have the option to press 1 to hear the number repeated. The authorization number is a 6-digit number.
13. If the transfer has been denied for either insufficient funds or an incorrect PIN, you will be given an explanation of the denial reason. You will then be given a second opportunity to enter the correct information. If the information entered is still incorrect or the maximum number of PIN tries has been reached, the system will end the call. You may want to call the 1-800 number again and speak to a customer service representative for a further explanation of the denial.
14. Hang up to end the call.

Parents may also call the e-Funds customer service number listed above for balance information, assistance with the ARU, transaction information, PIN information, etc. The e-Funds Helpdesk is available 24 hours per day, 7 days per week.



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