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1. TOTAL FAMILY INCOME (TFI):

Parent fees for military Child Development Centers (CDC), subsidized Child Development Homes (CDH), and School-Age Care (SAC) Programs are based on TFI. TFI should be verified at the time the new rates go into effect using the Service Member/Civilian and, if applicable, spouse's/partner's most recent W-2 forms, current LES(s) or other supporting income documentation.

1.1. **TFI Definition:** Total family income is defined as all earned income including wages, salaries, tips, special duty pay (flight pay, active duty demo pay, sea pay), and active duty save pay, long-term disability benefits, voluntary salary deferrals, retirement or other pension income including SSI paid to the spouse and VA benefits paid to the surviving spouse before deductions for taxes. TFI calculations must also include quarter's subsistence and other allowances appropriate for the rank and status of military or civilian personnel whether received in cash or in kind. Quarter's allowances and subsistence allowances mean the Basic Allowance for Quarters and the Basic Allowance for Subsistence received by military personnel (with respect to grade and status) and the value of meals and lodging furnished in-kind to military personnel residing on military bases (this applies to all eligible users, e.g. DoD Civilians residing in government furnished housing overseas).

1.2. **FY 13 TFI Categories:** TFI categories for FY 2013 are provided in Exhibit 1.

Exhibit 1: TFI CATEGORIES	
Category	TFI
I	\$0 - \$29,865
II	\$29,866 - \$36,264
III	\$36,265 - \$46,930
IV	\$46,931 - \$58,662
V	\$58,663 - \$74,661
VI	\$74,662 - \$86,343
VII	\$86,344 - \$101,580
VIII	\$101,581 - \$126,975
IX	\$126,976 +

1.3. **TFI Calculation:**
Department of Fees, DD Form 2652 equivalent
 be used in

When calculating TFI, includes all pay and member's Leave and (LES), except for Housing (BAH).

Basic Allowance for Housing (BAH) listed on the Leave and Earning Statement (LES), installations must use the Non-Locality Basic Allowance for Housing with Dependents

The Application for Defense Child Care or electronic (Attachment 1), must determine TFI.

military income allowances listed on a Earnings Statement Basic Allowance for Rather than use the

Rate (BAH RC/T) for all members, regardless of whether they live in government housing or off installation. The 2012 BAH RC/T chart is included as Attachment 2. Use the local BAH rate in locations only in areas where military members receive less than the BAH RC/T allowance. For dual military members, regardless of whether they reside in government housing or off, use the BAH RC/T with Dependents Rate of the senior member only, disregarding the instructions on DD Form 2652. For single military members, regardless of where they reside, use the BAH RC/T with Dependents rate.

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Families that have had TFI calculated using the 2012 BAH RC/T chart within 60 days prior to 1 November 2012 do not have to have TFI recomputed. Since the BAH RC/T chart is based on the calendar year, programs will use the 2013 BAH RC/T chart for those enrolling on or after January 1, 2013. More information and BAH charts can be obtained at: <http://www.defensetravel.dod.mil/perdiem/>.

1.4. Family Household Definition: Income must be verified for any adults, married or not, sharing expenses toward the benefit of the child(ren). Income verification is required for biological parents who live together, whether they are married or not, legal guardians of the children, or any person living in the household that the child resides, provided such a person stands in loco parentis to that child and contributes to the child's support. In the case of divorced or legally separated parents, only the sponsor who has physical custody of the child must provide income information.

1.5. TFI Exemptions: The Department of Compensation, Military Personnel Policy (MPP) and the Secretary of Defense, Office of Children and Youth has clarified military compensation that does not fall under the TFI definition and therefore shall not be included when determining TFI:

- COLA received in high cost areas
- Alimony and child support
- Temporary Duty Allowances
- Reimbursement for educational expenses
- Family Separation Allowance
- Hardship Duty Pay
- Imminent Danger Pay
- Unemployment Compensation
- Cash Awards
- Overtime Pay
- Reenlistment Bonuses
- Social Security Insurance (SSI) received on behalf of dependent child(ren).

1.6. Parent Income Documentation: The original DD 2652 or electronic version (Attachment 1) shall be maintained in a locked file cabinet or office. Because of the sensitive information disclosed on this form, only the CYP professional responsible for calculating parents' fees and the CYP Director shall have access to this information. Records of parents' income such as leave and earnings statements, pay stubs, W-2s, etc., will not be kept on file. **Families who refuse to show proof of income will be charged the Category IX fee.**

2. PARENT FEE AGREEMENT:

Programs shall use the Attachment 3, Navy CYP Parent Fee Agreement, CNICCYP 1700/22, revision 9/12, which has been updated for this fee year. The form should be completed electronically by the program and signed by the sponsor and program representative at the time new fees are calculated. The parent fee agreement shall be maintained in the child's file and kept confidential.

3. HIGH COST FEE AREAS:

- DOES NOT APPLY TO US NAVAL AIR FACILITY ATSUGI -

4. CDC FULL-DAY FEES:

CNIC (N9) has established set fees for all CDC and contract operations. All installations shall use the fees per income category shown in Exhibits 2 or 3. Fees for FY 2013 shall be implemented on 1 November 2012 and are valid for one year. Deviations from the below fees are not authorized without a waiver from CNIC (N9) in accordance with procedures outlined within OPNAVINST 1700.9E. Additional information regarding parent fees for CDH subsidized programs is provided in Section 5 below.

Category	Military Payday Rate	
	1 st Child	2 nd Child
I	\$121.00	\$97.00
II	\$152.00	\$122.00
III	\$182.00	\$146.00
IV	\$212.00	\$170.00
V	\$243.00	\$194.00
VI	\$273.00	\$218.00
VII	\$290.00	\$232.00
VIII	\$297.00	\$238.00
IX	\$303.00	242.00

- US NAVAL AIR FACILITY ATUSGI IS NOT A HIGH COST AREA -

Exhibit 3: CDC FULL-DAY PARENT FEES (HIGH COST AREAS)				
Category	Weekly Rate		Military Payday Rate	
	1 st Child	2 nd Child	1 st Child	2 nd Child
I	\$62.00	\$50.00	\$134.00	\$107.00
II	\$78.00	\$62.00	\$169.00	\$135.00
III	\$95.00	\$76.00	\$206.00	\$165.00
IV	\$110.00	\$88.00	\$238.00	\$190.00
V	\$127.00	\$102.00	\$275.00	\$220.00
VI	\$137.00	\$110.00	\$297.00	\$238.00
VII	\$140.00	\$112.00	\$303.00	\$242.00
VIII	\$143.00	\$114.00	\$310.00	\$248.00
IX	\$146.00	\$117.00	\$316.00	\$253.00

4.1. Part-Day Fees: Fees for Part-Day programs shall be computed by using the hourly rate of the program's established full-day care fees listed in Exhibits 2 or 3. The weekly rate divided by 50 hours is used to calculate this hourly rate. The computed hourly rate is then multiplied by the number of hours per week the program is offered. All fees should be rounded to the nearest dollar. Programs may only offer part-day fees if a regularly scheduled part-day program is offered. If not, the hourly care rate in section 8.1 shall be used.

4.2. Extended Hours and 24/7 Child and Youth Center Fees: Installations are required to offer an extended care program to meet the needs of military members working non-traditional hours, shift workers and watch

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standers. Extended care may be offered through subsidized CDH or a 24/7 Centers. When calculating fees, parents shall pay either the CDC full-time rate shown in Exhibits 2 or 3 or the subsidized CDH rate shown in Exhibit 4, whichever is applicable. Parents participating in an extended care program should receive the same number of hours offered to parents at the installation CDC. For example, if the installation CDC is open daily from 6 AM to 6 PM (12 hours per day/60 hours per week), the installation extended care program should provide parents 60 hours of care weekly or 240 hours monthly regardless of the delivery type. The program may be offered through an Extended Care CDH subsidy program as outlined Section 5 below or in a dedicated 24/7 facility.

5. CDH (Child Development Home) FULL-DAY FEES & SUBSIDIES:

In order to encourage more families to use the Navy CDH program, parents using CDH full-time will pay the fees shown in Exhibit 4, which includes a 20% discount for FY 2013 from fees set for parents using center-based care.

CDH fees are typically charged on a weekly basis. FY13 CDH Parent Fees shall be implemented on 5 November 2012.

- THERE ARE CURRENTLY NO CHILD DEVELOPMENT HOMES IN ATSUGI -

6. SAC PROGRAM FEES:

CNIC (N9) has established set fees for all SAC and contract operations. All installations shall use the fees per income category shown in Exhibit 7. SAC fees shall be implemented on 01 November 2012 and are valid for one year. Deviations from the below fees are not authorized without a waiver from CNIC (N9) in accordance with procedures outlined within OPNAV 1700.9E. Fees shall be used for all Before/After School, Kindergarten and Camp programs. Installation SAC fees are based on the number of actual operating hours for that specific care option at the SAC program. For example, if Before School Care is offered from 0600-0900, fees would be based on 15 operating hours, regardless of the hours a specific child attends. When calculating the number of hours for before and after school programs, program directors should include time spent transporting children to and from school. Time spent planning and preparing for the program should not be included. SAC programs offering Before/After School care shall not charge an additional daily fee for teacher in-service days or school closures resulting from weather or unforeseen circumstances for children already enrolled in the before/after school program. Parents using SAC for teacher in-service days or school closures should use the school year daily rate in section 8.2 below for children not currently enrolled in the SAC program.

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Exhibit 7: SAC PARENT FEES (BASIC)													
SAC Program Hours of Service/Parent Fees													
- FEES PERTINENT TO NAF ATSUGI ARE INDICATED IN YELLOW -													
Cat	23-27				28-32				33-37				1st
	Wkly		MPR		Wkly		MPR		Wkly		MPR		
	1st	2nd											
I	\$26	\$21	\$56	\$45	\$31	\$25	\$68	\$54	\$36	\$29	\$79	\$63	\$42
II	\$34	\$27	\$73	\$58	\$40	\$32	\$87	\$70	\$47	\$38	\$102	\$82	\$54
III	\$42	\$34	\$91	\$73	\$50	\$40	\$109	\$87	\$59	\$47	\$127	\$102	\$67
IV	\$49	\$39	\$106	\$85	\$59	\$47	\$127	\$102	\$69	\$55	\$149	\$119	\$78
V	\$56	\$45	\$121	\$97	\$67	\$54	\$146	\$117	\$78	\$62	\$170	\$136	\$90
VI	\$63	\$50	\$137	\$110	\$76	\$61	\$164	\$131	\$88	\$70	\$191	\$153	\$101
VII	\$67	\$54	\$145	\$116	\$80	\$64	\$174	\$139	\$94	\$75	\$203	\$162	\$107
VIII	\$69	\$55	\$148	\$118	\$82	\$66	\$178	\$142	\$96	\$77	\$208	\$166	\$110
IX	\$70	\$56	\$152	\$122	\$84	\$67	\$182	\$146	\$98	\$78	\$212	\$170	\$112

7. YOUTH RECREATION FEES:

Youth recreation program and activities are required to be offered free or at a reasonable cost. Annual membership and registration fees are not authorized. Provisions should be made for reduced fees for those who are not able to participate because of financial hardship (see section 9).

8. OTHER AUTHORIZED CYP FEES & DISCOUNTS:

8.1. Hourly Rate: All programs are required to offer an hourly care program in accordance with the CNIC Hourly Care Policy Letter dated 07 October 2009. The hourly rate remains unchanged for FY13. All patrons shall be charged \$4.00 per child per hour, or any portion thereof, regardless of TFI Category for hourly care.

8.2. School Year Daily Rate: Parents using SAC for teacher in-service days or school closures during the school year are authorized to use the school year daily rate shown in Exhibit 9. Fees shall be based on the number of hours the program is open on the day care is provided, not the number of hours a specific child will attend on the school closure day. The program will set one school year daily rate. For children not enrolled in the before/after school program, the parents may choose either the hourly care fee or the school year daily rate for time spent in the SAC program on that day of school closure.

8.3. child

Multi-

Exhibit 9: SCHOOL-YEAR DAILY RATE PARENT FEES (BASIC)						
SAC Program Hours of Service/Parent Fees						
Category	Less than 5		5 – 10		More than 10	
	1st Child	2nd Child	1st Child	2nd Child	1st Child	2nd Child
I	\$5.00	\$4.00	\$10.00	\$8.00	\$16.00	\$13.00
II	\$7.00	\$6.00	\$13.00	\$10.00	\$20.00	\$16.00
III	\$8.00	\$6.00	\$17.00	\$14.00	\$25.00	\$20.00
IV	\$10.00	\$8.00	\$20.00	\$16.00	\$29.00	\$23.00
V	\$11.00	\$9.00	\$22.00	\$18.00	\$34.00	\$27.00
VI	\$13.00	\$10.00	\$25.00	\$20.00	\$38.00	\$30.00
VII	\$13.00	\$10.00	\$27.00	\$22.00	\$40.00	\$32.00
VIII	\$14.00	\$11.00	\$27.00	\$22.00	\$41.00	\$33.00
IX	\$14.00	\$11.00	\$28.00	\$22.00	\$42.00	\$34.00

Discount: Programs shall provide a 20 percent reduction of fees charged to each additional child from the same family. It will be consistent and applicable to children enrolled in CDC, CDH and SAC (e.g., first child in CDC, second child in SAC). Additional child discount is always applied to the older children’s fees.

8.4. Vacation Discounts: Vacation discounts are authorized for ALL Navy CDC and SAC programs. Installations are required to provide two weeks of free vacation periods each fiscal year. In order to use the vacation discount, parents shall be required to provide the CDC or SAC at least 30 days advanced notice. Vacation discounts will only be given in weekly increments; single days will not be discounted. The additional child space should then be included in the number of hourly care spaces and available for parents needing hourly care to reserve up to 30-days in advance. CDH Providers shall be encouraged (not required) to offer a similar program and make their spaces available for hourly care as well.

When calculating the vacation discount, programs should deduct the applicable weekly fee from the military payday rate. Since the military payday rate is not twice the weekly fee, parents will be required to pay the difference. For example, if parents at the CDC who typically pay the basic Category III fee of \$182.00 on each military payday decide to take one week of vacation, their balance would be \$98.00, which is calculated by deducting the Category III weekly fee of \$84.00 from their military payday rate of \$182.00. If the same parent uses two weeks of vacation during one pay period, deduct two weekly fees (\$84 and \$84) from the \$182 MPR, and the parent owes the balance of \$14.

8.5. Summer Camp Registration and Discount: Parents using the Summer Camp program will have the option to register their child for only the weeks child care is needed. For example, if the camp program operates for eight weeks, the parent may choose to register their child for weeks #2, # 4, and #6 only. If parents register and pay for the entire camp program, they will receive a 50% discount on the last week of program fees.

8.6. 30-Day Notice Withdrawal Discount: Parents who provide the CDC or SAC program with a 30-day notice to their child’s withdrawal date shall be given a discount of 10% of their Military Payday Rate. When calculating the 30-day notice withdrawal discount, programs should deduct 10% of their Military Payday Rate from their last payment. For example , if the Military Payday Rate is \$146, the last payment should be discounted by \$15. (Always use standard “rounding rules;” 1-4, round down; 5-9, round up.)

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Parents may still choose to provide the program with a 2-week notice; however, no discount will be given. If a minimum of two weeks notice is not provided, parents will still be responsible for the payment of two weeks of care, regardless if services are provided.

8.7. Wounded Warriors: Wounded warriors enrolled in the Safe Harbor Program, or other Service equivalent, shall be charged Category I parent fees while in treatment period regardless of TFI.

8.8. Ombudsmen: While performing official duties, Ombudsmen shall be provided care free of charge. The Ombudsmen is required to provide a copy of their appointment letter signed by the Commanding Officer. If Ombudsmen child care is provided in a CDH, the CDH provider will be compensated through the subsidy program.

8.9. Late Payment Fees: Late payment fees are not authorized. Commands are required to implement local policies for handling delinquency including denying care, chain of command notification, and payroll deductions. If a family is having problems making a payment due to a financial hardship, a payment plan can be put in place to assist the family for a temporary period of time. If a payment plan is established, it must be approved and documented in the child's file.

8.10. Additional CDC/SAC Fees: Fees for field trips/transportation for CDC and SAC programs are not authorized. Field trips and transportation costs to and from programs are a critical part of curriculum/participation and should be maximized. The costs associated with offering these services are included in the parent fees and appropriated fund support.

8.11. Meals and Snacks: CDC, CDH, and SAC fees include all meals and snacks, which meet USDA requirements. Full-day programs are required to provide a morning snack or breakfast, lunch, and an afternoon snack meeting USDA nutritional requirements.

8.12. Late Pick-up Fees: Late pick up fees of \$1.00 per minute up to \$15.00 may be assessed to parents picking children up after published operating hours. Commands are required to issue local procedures, outlining local security pick-up procedures, number of offenses permitted before care is denied, and allowable exceptions such as unforeseen mission requirements.

8.13. Program Registration Fees: Registration fees for CDC, CDH, and SAC are authorized only if credited to the first or last week of service and may not exceed \$100.00. The registration fee charged shall be the same for all families and may be non-refundable.

8.14. Payment Due Dates: Payment cycle due dates must be included in the published fee policy. CDC and SAC school-year programs shall implement payment due dates in conjunction with military pay dates (the 1st and 15th of each month.) Weekly payments are authorized for full day SAC camps and CDH.

8.15. Mass Deployment and Emergency Situations: During times of mass deployment or emergency situations, CNIC is authorized to grant exceptions to the fee policy to programs when the situation severely impacts a family's need for child and school-age care and their ability to pay.

9. FEE ADJUSTMENTS / HARDSHIP WAIVERS:

Installation Commanding Officers, in their sole discretion, are authorized to grant case-by-case exceptions to an individual's fee or fee range based on hardship or other special circumstances (e.g., divorce, illness, or loss of

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employment) which affect total family income. In most cases, the fee should not be set below Category I of the fee range. Command hardship waivers must be documented and maintained in each child's file.

10. NOTIFICATION OF CIVILIAN SPONSORS USING SUBSIDIZED CARE:

Defense civilian employee sponsors with children enrolled in Department of Defense (DoD) subsidized child care programs are subject to the requirements of Internal Revenue Code (IRC), Title 26, United States Code, section 61 and title 26, Code of Federal Regulations, section 1.61-1. The IRC requires that child care subsidies generally be treated as cash income in addition to normal earnings. Each civilian sponsor must register with the Third Party Administrator (TPA) contracted by DoD to administer the Defense civilian child care subsidy program. The "Notification for Civilian Sponsors Using Installation-Based Department of Defense Subsidized Child Development Programs during Tax Year 2010" is Attachment 5. Active duty service members are not impacted as they receive an exclusion from taxes for benefits under dependent care assistance programs in the Military Family Tax Relief Act.

11. PUBLISHING PROGRAM FEES:

Installations shall release a single child/youth fee policy for FY13. All charges for all programs for children ages birth to 18 for the entire school year shall be released in a singular package. Parents shall be notified at least 30 days in advance of changes in fees. Publication of fees will be given the widest dissemination possible.

12. CHILD AND YOUTH PROGRAMS ANNUAL FEE REPORT:

Guidance and report format for the annual fee report will be provided by CNIC (N9) under separate correspondence.

13. PATRON ELIGIBILITY AND PRIORITY FOR CARE:

13.1. CDC, SAC, and Subsidized CDH within CNIC Operations: The status of the sponsor determines eligibility of child(ren) to enroll in the program. In the case of legally separated or divorced parents meeting the below criteria, the child is eligible only when they reside with the military or civilian sponsor. Eligible patrons are listed below and are provided in priority order for programs that have a waiting list:

- 1) Active duty single parents and active duty dual military parents. Wounded Warriors, Fallen Warriors, and Individual Augmentees shall receive priority in this group. Note: Active duty includes all Services, Coast Guard, reservists on active duty, and reservists in training.
- 2) All other active duty with a full-time working spouse or a spouse who is enrolled as a full-time student (as defined by the school attending). CYP employees may receive priority within this group.
- 3) DoD civilian personnel, single or with a full-time working spouse or a spouse who is enrolled as a full-time student (as defined by the school attending).
- 4) Full-time DoD contractors, single or with a full-time working spouse or a spouse who is enrolled as a full-time student (as defined by the school attending).

Note: Spouses, who are unemployed, but seeking employment, may be included in priorities 2-4; however they must show proof of employment within 90 days of placement in the CYP. If the spouse has not

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been able to secure employment within the 90 days and a waiting list exists for the specific age group, the installation may authorize an extension for the child to remain in care.

5) If the need for child care for the above priorities has been met, child care may be supported for other active duty and civilian employee, i.e. those with a non-working spouse. Once the child is enrolled, every effort shall be made to ensure continuity of care is maintained and not disruptive to the child's development. However, if the spouse is unemployed at enrollment or becomes unemployed and the program has a wait list of eligible patrons needing child care, the family will be given 90 days to secure new employment to maintain care. Because child care is a work-force requirement, child care in support of the mission must be met prior to accommodating non-working individuals.

13.2. Youth Recreation Eligibility: Kindergarten through grade twelve children and youth of DoD military members, civilian employees, and other eligible patrons of MWR programs (as authorized in DoD Instruction 1015.10) are eligible for participation in Youth Programs. Youth who have graduated from high school are eligible to participate until the commencement of the quarter or semester immediately following their high school graduation. Recreation activities for preschool aged children may be included in this program, e.g., organized classes, sports leagues, etc.

13.3. Otherwise Ineligible Patrons: The National Defense Authorization Act (NDAA) of 2000, Title 10 U.S.C., section 1799, authorized children and youth, who are not otherwise authorized under the above criteria, to participate in child and youth services if the situations in which participation promotes attainment of the following objectives: 1) Supports the integration of children and youth of military families into the civilian community, 2) Makes more efficient use of DoD facilities and resources, or 3) Establishes or supports a partnership or consortium arrangement with schools and other youth services organizations serving children of members of the armed forces. Approval to accept otherwise ineligible users must first be granted in writing from CNIC (N9). Navy programs granting eligibility to non-DoD users must charge the highest fee category to the patron. Additional information regarding the cost of the program is provided in OPNAVINST 1700.9E.