

I. CHAPTER OVERVIEW

Child care services are provided to families who meet the income eligibility criteria based on the [income unit](#). The information in this chapter provides guidelines and examples for determining the income unit and the types of countable and non-countable [income](#).

II. ELIGIBILITY

Individuals who need child care services must qualify on the basis of income eligibility except for certain situations in which the service is available without regard to income.

A. Child care services are available without regard to income for:

1. Children who need child care services to support [child protective services](#).
2. Children who need child care services and meet eligibility criteria for [child welfare services](#).
3. Children receiving foster care services who are in the custody of a county department of social services (DSS) **and** have been placed either with an adult other than their parents or in a licensed foster home.

B. Child care services shall be provided to all other individuals with regard to income, provided the gross income does not exceed the state's maximum income eligibility limit for the number of persons in that income unit. Refer to [Attachment 1, Maximum Gross Monthly Income Eligibility Limits for Subsidized Child Care Services](#).

III. DEFINING THE INCOME UNIT FOR DETERMINING ELIGIBILITY

When the amount of income available to an individual is a condition of eligibility for subsidized child care services, it is necessary to determine the number of persons in the individual's income unit and the amount of the gross income available to that income unit. Therefore, it is necessary to define the term "income unit" to determine whose income must be included when eligibility is determined. **The term "income unit" shall apply to persons who live in the same household and who, according to North Carolina law, are responsible for the financial support of the child whose eligibility for child child care services is being determined.**

Additionally, the household income unit must include the parent, stepparent and the stepparent's child(ren), if applicable. When the parent of the child