

CHILD DEVELOPMENT AND CARE

General Information

INTRODUCTION

For many families, the cost of safe, quality child care can affect the family budget. DHS' Child Development and Care (CDC) Program may offer payment for child care services for some families when the **parent** is not able to take care of their child because of:

- Employment.
- High School Completion.
- **DHS Approved Activity**.
- Family Preservation.

This handbook provides:

- General information about the Michigan DHS's Office of Early Education and Care, including the Child Development and Care Program.
- Parent information.
- Provider information.

PARENT AND PROVIDER RELATIONSHIP

When a parent chooses a provider, both the parent and provider are forming a business relationship with each other. This is an agreement between the parent and provider that may be in writing. Any agreement should at least cover:

- How payment will be made.
- Hours of care.
- When payment is expected.
- And any notice of when care is no longer needed.

The parent is responsible for any child care charges not paid by DHS. He/she also has to pay for the cost of any care provided while the parent is not involved in **DHS Approved Activities**, for child care services provided before being authorized for child care by DHS, or prior to training completion.

All child care providers, except for Aides, are self-employed. This means that the provider runs their own business. If the provider is an **Aide**, he/she works for the parent of the child and is a household employee of the parent under federal law. Under the Fair Labor Standards Act the parent has to pay the employer's share of any employer's taxes that need to be paid, such as Social Security, Federal Insurance Contribution Act (FICA) and Federal Unemployment Tax Act (FUTA) taxes. Parents also have to give a W-2 form at the end of the year to the aide so they can do their taxes.

Please note: Providers are not employed by the State of Michigan or the Child Development and Care Program. Providers are not eligible for unemployment insurance.