




SUBSIDIZED CHILD CARE SERVICES MANUAL – CHANGE NOTICE #25-05

TO: County Departments of Social Services
Other Local Purchasing Agencies

FROM: Candace Witherspoon Director, Division of Child Development and Early Education 

SUBJECT: Revisions to the Subsidized Child Care Assistance Program Policy Manual

ISSUE DATE: November 12, 2025

The purpose of this Change Notice is to communicate changes in the Subsidized Child Care Services Policy Manual Chapter 7, pg. 12, 19, 32, 33, 34, 47 and 48. These changes are effective November 12, 2025.

Policy in Chapter 7 IV. A. 3. pg. 12 has been revised to state the following:

“Social Security benefits (includes social security pensions, survivors’ benefits for both children and adults, and permanent disability insurance payments). **The gross benefit amount is countable for SCCA before any deductions are taken out of the Social Security benefit.**”

Policy in Chapter 7 IV. B. pg. 19 has been revised to add the following:

“34. CAP benefits”

Policy in Chapter 7, VI. A. 1. pg.33 (now page 32) has been revised to state the following:

“Lump sum child support payments shall be disregarded unless the recipient states they only receive child support income via lump sum payments. If a recipient reports receiving child support income only via lump sum payments, the child care worker will use a 12-month base period (prior to the month of application or recertification if representative), add the total child support payments received (~~regular payments and lump sum/tax intercept payment~~) from the 12 months together and average (divide by 12).”

Policy in Chapter 7 VI. A. 3. pg. 34-35 (now pg. 33-34) has been revised to state the following:

“i. Child Support Order Terminates

If a recipient reports their child support order has terminated, the child care worker must verify the termination of the support order through the local Child Support Office or court documents provided by the recipient.

- a) **If verified, child support income end-date will be the date the recipient reported the change.**
- b) **If the child care worker is unable to verify, client’s statement is not acceptable for child support order termination. The child care worker cannot end-date child support income until verified.**

ii. Non-Custodial Parent Stops Payments

- a) **If a recipient reports a non-custodial parent stops making child support payments, but the child support order remains active, child care workers must use a 3-month base period to calculate countable income. Child care workers must verify the history of child support payments through OVS or the local Child Support Office.**

- If the new average is higher than the current amount, the child support income must remain unchanged; if lower, the child support income must be adjusted to reflect the reduced amount. Refer to policy in Chapter 8, Section III. When Parent Fees are Assessed regarding a decrease in parent fees.
- b) If the child care worker is unable to verify stopped or reduced payments, client's statement is not acceptable for child support order non-payment. The child care worker cannot end date or reduce child support income until verified.
- c) In situations where child support payments are non-court ordered, and the recipient reports non-custodial parent has stopped child support payments, the child care worker must contact the non-custodial parent to verify the stopped child support payments.

NOTE: Client's statement can only be accepted in situations when the child support payments are non-court ordered, and the non-custodial parent does not cooperate with verification of stopped payments.

Child care workers must not backdate the change in a way that creates retroactive payment implications. Child care workers must enter the change using the date the recipient reported the change as the effective date for adjustment. The system will reflect accurate history for documentation purposes, but financial adjustments are only made going forward to avoid retroactive overpayments or underpayments."

Policy in Chapter 7 VIII. D. 3. pg. 47 has been revised to state the following:

"If terminated income is reported prior to the receipt of the last pay, the last pay received is counted and the end date shall reflect the date the **change was reported**.

For example:

Recipient reports terminated employment on 03/13/2024. The recipient's last paycheck is expected on 03/29/2024. **The income is end-dated 03/13/2024, to reflect the date the change was reported.**"

Policy in Chapter 7 VIII. D. 3. pg. 47 (now 48) has been revised to state the following:

"Client statement regarding terminated income is accepted unless it is questionable, **except for terminated child support. See section VI.A.3.** If client statement is questionable, child care workers should request verification and must document why verification of terminated income has been requested."

Revised policies can be identified in red text and will remain red for 30 calendar days following the issuance of a change notice. After the 30th calendar day the revised policy language will revert to black text.

This Change Notice and revised policy is available on the Department's website at <https://policies.ncdhhs.gov/divisional/child-development/child-care-subsidy-services/policies>. It is the responsibility of the DSS/LPA to ensure that all staff is aware of the revised policy in the SCCA Program Policy Manual. If you have questions regarding the SCCA Program Policy Manual, please address these questions to your Subsidy Technical Assistance Consultant.

Attachments