

# CDD.1105: Asset Limit

**Category:** Child Care Financial Assistance Program (CCFAP)

**Authority:** 33 V.S.A. §3512

**Last revised date:** 04/15/2024

**Effective date:** 10/07/2024

## Overview

This policy clarifies the definition of assets, as it relates to the \$1,000,000 dollar asset limit for the Child Care Financial Assistance Program eligibility.

## Updates

This document has been updated to reflect the new CCFAP Policy formatting, including rewriting and reorganizing the previous policy's content and completing a plain language review.

All changes are highlighted in gray below.

## Policy

To receive child care financial assistance, a family's assets **must not** exceed \$1,000,000.

## Procedure

1. The primary caretaker **must** certify that family assets do **not** exceed \$1,000,000 by checking yes or no on the Child Care Financial Assistance Program application.
2. Only liquid assets are included in the asset test. Liquid assets are financial resources that are cash or that can be quickly converted to cash without incurring penalties and may include:
  - a. cash on hand;
  - b. funds in checking, savings, money market, securities, and credit union share accounts.
3. Any business liquid assets encumbered by a legal entity, such as a Limited Liability Company (LLC), **must not** be included in the family's asset test.
4. Nonliquid assets are **not** included in the asset test. Nonliquid assets are those that are **not** readily convertible to cash. These may include:
  - a. Land;

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- b. Buildings;
  - c. Real property; or
  - d. Retirement accounts.
5. **Exception:** The asset limit is waived for children with Protective Services Authorizations and children who have been adopted through Vermont's Family Services Division and have an Adoption Assistance Agreement.