



Navy Child and Youth Programs

The Family's Guide to Total Family Income

All families who enroll in a Navy Child and Youth Program (CYP) are required to provide proof of their total family income (TFI). This short guide answers some of the most common TFI questions and provides the basic information you need to have your TFI verified.

What Is TFI?

TFI stands for "Total Family Income." It includes the earned income of all adults (married or not) who contribute to the expenses of raising and caring for the child(ren).

What Is Earned Income?

Earned income includes all wages, salaries, tips, special duty pay, active duty save pay, long-term disability benefits, voluntary salary deferrals, and retirement or other pension income. It includes Supplemental Security Income (SSI) paid to the spouse and Veterans Affairs (VA) benefits paid to the surviving spouse before deductions for taxes. It also includes housing subsistence and other allowances (whether in cash or in kind) appropriate for the rank and status of military or civilian personnel (e.g., meals, lodging).

Why Do You Need My TFI?

Your parent fees (the amount you will pay for your child's care) are based on your family's TFI. After your TFI is calculated, your parent fees will be determined and become part of your Parent Fee Agreement.

How Is My TFI Calculated?

You must bring proof of income to your family orientation. The CYP Operations Clerk will review your proof of income at orientation and complete a TFI worksheet to calculate your TFI and determine what your parent fees will be.

What Documents Can I Use as Proof of Income?

Depending on your employment and benefit status, proof of income varies. Listed below are some of the types of proof of income that are acceptable for TFI verification.

- ▶ Current Leave and Earnings Statement (LES) for the military sponsor
- ▶ Most recent W-2 form(s), if applicable
- ▶ Pay stubs
- ▶ Long-term disability benefits statement
- ▶ SSI statement
- ▶ Veterans Administration (VA) benefits statement
- ▶ Retirement/pension statement
- ▶ Newly employed (or if your income fluctuates): a written estimate of your anticipated annual earnings signed by your employer
- ▶ Business owners: a copy of your business net income (found on the individual's tax information)
- ▶ New business owners (with no history of business net income yet): a written statement with your projected net income for the coming year and a copy of your business plan

What if I Don't Provide Proof of Income?

If you choose not to provide proof of income, your parent fees will be set at the highest fee category. This means you will pay the highest fees regardless of what your TFI is.