Food Stamp Handbook
Release 10/1/99-B

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Introduction

What it's designed to do

The FS Handbook helps you determine eligibility and allotments for the Food Stamp program.

Follow the handbook's instructions step by step; your results should be correct. With an understanding of FS policy and procedure, you can process most applications, reviews, and changes rapidly. Only with complex cases is it helpful or necessary to follow all of the appropriate steps in the handbook.

Training Economic Support Specialists (ESS)

The handbook is useful for training Economic Support Specialists (ESS) because of its structured approach to the FS program's content.

CARES

DWD uses the handbook as the basis for FS policy in CARES.

What It Doesn't Do

The handbook's units are not designed to be read straight through. When you process a case you will be told to skip particular steps and some entire units.

Administrative requirements outside of eligibility and allotment decisions, such as fair hearings and accounting, are in other manuals.

Organization

The handbook covers 2 topics: (1) nonfinancial, and (2) financial eligibility. Both topics are covered in the handbook's units and appendix.

Overview

The overview explains all the steps in the nonfinancial and financial units. It gives you the "big picture" of eligibility determination.

Nonfinancial

First you need to know who is nonfinancially eligible, and thus, in the FS group. The nonfinancial units help you decide who is in the FS group. Consider finances once you decide who's in the FS Group.

Financial

In the financial units you calculate the FS group's assets and income. This determines if the FS group is financially eligible, and the amount of the allotment.

Units

The nonfinancial and financial topics are divided into units with labeled tabs.

Units consist mostly of steps that require a "yes" or "no" answer or a dollar amount. Some units have a Preface and Instructions before the flow of steps. The preface tells you what the unit does. The instructions tell you who to process in that unit. Appropriate worksheets are also identified.

Each unit page has 3 columns:
1. The center column contains the "flow" of steps. When a step has 2 conditions joined by:

a. The word "and," both conditions must be met to answer "yes."

b. The word "or," only one condition must be met to answer "yes." When neither condition is met, answer "no."

Words needing further explanation or instructions are in boldface. ("If yes" and "If no" and conjunctions are underlined only for emphasis.

2. The left-hand column contains the references to the Appendix and other documents for boldfaced words in the center column.

3. The right-hand column contains CARES screen references.

Appendix
A decimal numbering system refers you from the units to the appendix, and with the addition of captions, organizes the appendix.

Examples: Decimal Numbering System
8.0.0 =1st Level=Appendix =WORK REQUIREMENTS
8.8.0 =2nd Level=Section =Voluntary Quit
8.8.6 =3rd Level=Subsection =Good Cause
8.8.6.1 =4th Level=Paragraph =Verification

Use the appendix to support the nonfinancial and financial decisions in a case. You also can use the appendix alone as a policy text. For an outline with decimal references, see the Appendix Table of Contents.

Index to the Appendix
An index at the end of the appendix helps you locate topics.

Worksheets
There are 2 major worksheets used to determine eligibility. The FS Nonfinancial Worksheet tests eligibility.

The FS Worksheet tests financial eligibility and calculates allotment. Use it to set review dates and recover overissuances.

Other worksheets help determine fuel expenses, student eligibility, self employment income and so on. All worksheets are located in Appendix 20.0.0
Abbreviations
Abbreviations are major space savers (compare FS to Food Stamps). The abbreviations used in the handbook are listed at the back of the handbook.

When Someone is Ineligible
Someone found ineligible may be eligible if s/he applies on a separate application. This can happen when the person doesn't belong to the same food unit as the primary person. Therefore, it's important to remember that a finding of "not eligible" may sometimes mean "not eligible in this application."

NOTE! If someone refuses to provide information needed to determine eligibility, deny the application for FS.(IMM I).

Unit Overview

Eligibility Overview

This section is a summary of all the steps in the units. It gives you the "big picture" of determining eligibility. The headings below follow the same order as the unit tabs.

Nonfinancial

First a person comes in and applies for FS. You need to find out if s/he is a resident of your county. Also, you will ask if s/he is a boarder, foster person, or resident of an institution. Some groups of people are not eligible for FS because their food needs are already met.

Food Unit

Next you determine the food unit. The food unit is everyone who purchases and prepares food with the person, and family members. There are some exceptions to who you must include in the food unit based on relationship rules.

Individual

Now you are ready to look at the individual food unit members. Everyone must be a US citizen or qualified alien and you need a SSN for each person. A food unit member can't belong to more than one food unit with a few exceptions.

Work Programs

Next you test work program participation. Almost everyone 18-60 must register for and participate in work programs. Some exceptions are full-time students, and parents caring for young children.

FS Group
Now you form the FS group. The group includes everyone who is in the FS allotment. There are 3 types of FS groups: categorically eligible, mixed categorically eligible, and standard.

- Categorically eligible groups are made up of all AFDC, SSI, GR and W-2 payment recipients, including W-2 Trial Job participants and their W-2 group members.
- Mixed categorically eligible FS groups include some people receiving AFDC, SSI, GR, or W-2 payment recipients, and some who are not.
- A standard FS group is a group with no W-2, AFDC, GR, or SSI recipients.

The group type determines whose income and assets you count in the Financial Section.

Financial
It's time to look at the FS group's income and assets. If a group has too many assets or too much income, it is ineligible.

Introduction
This unit is a traffic director. You send categorically eligible groups to the income unit since you don't count their assets.
Standard or Mixed Categorically Eligible groups either go to the vehicle or assets units.

Vehicle
You determine if you will count vehicles, and place a market value on the vehicles. You don't count some vehicles. For example, vehicles used to transport a disabled person, or to produce income are not counted.

Assets
Add all the FS group's countable assets. Some examples are cash, checking, and savings. Don't include assets of AFDC, SSI, and W-2 payment recipients.

Asset Test
Take the total assets you got from the vehicle and assets units and compare it to the asset limit. You also look to see if any members divested something to become eligible. If the group passes the asset test, it goes to the unearned income unit.

Unearned Income
Add the FS group's unearned income and any unearned income that is deemed from an ineligible member. Types of unearned income include: child support, unemployment compensation, Social Security, AFDC, GR, or W-2 payments.

Earned & Training Income
Add all the FS group's earned income and any income deemed from ineligible members. Types of earned income include: wages, tips, and self-employment income.

Room & Board Income
Calculate income the FS group receives from a boarder.

Income Computation
Take the income you determined from the previous units and see if the group passes the gross income test. FS groups containing an elderly or disabled person don't have to pass the gross income test. Categorically eligible FS groups also are not tested against gross income limits. If the group's income is greater than the gross income limit, the group is ineligible.

If the group's income is equal to or under the limit, you deduct medical expenses for elderly and disabled members. Then you give the FS groups a standard deduction, and an earned income deduction if they had earned income.

Dependent Care
If the FS group pays for child care or care for an adult food unit member, s/he may get a deduction for each dependent. The care must be necessary for the FS group member to work or go to school.

Shelter & Utilities
FS groups who pay shelter and utility costs may get shelter and utility deductions. The FS group chooses either a Standard Utility Allowance or actual expenses paid for shelter and utilities. They only get the shelter deduction if their shelter expense exceeds half their income after all other deductions.

Income Test
Most FS groups must pass the net income test based on net income limits and group size. Categorically eligible FS groups don't have to pass this test.

After computing monthly net income, you test the group against the net income limit. If the group's income exceeds the limit, it is ineligible. If the income equals or is less than the limit, the group might be eligible. Use the FS Worksheet for these computations.

Allotment
Eligible FS groups now must have their allotments figured. An allotment is the amount of FS an eligible group gets. You figure the allotment by looking at FS group size and total net income. Instructions on prorating the allotment are given if the FS group applies after the first of the month.

Review Date
You must review a FS group's eligibility within certain time frames. The length of time between review periods varies based on factors such as job stability, age, and medical condition.

Worksheet

Fill in the identifying information at the top of the FS Nonfinancial Worksheet.

- Draw a picture of the household composition in the Household Structure section of the worksheet.
- Use the Initial Unit section of the worksheet.</L

Question 01

Is this a **case transfer** from another Wisconsin economic support agency (ESA)?

If yes, consult the CARES Guide for instructions on when your county must begin processing this request. Go to 02.

If no, go to 02.

Appendix References: 17.0.0 ALLOTMENT

Question 02

Does the primary person **reside** in your county?

If yes, go to 03.

If no, no one in this household is eligible in this determination.

Appendix References: 9.1.0 Application Site

Question 03

Has the primary person failed to complete the application or review **interview**?

If yes, no one in the household is eligible in this determination.

If no, go to 04.

Question 04

Has the agency lost contact with the primary person?

If yes, no one in this household is eligible in this determination.

If no, go to 05.

Question 05

Does the primary person reside in a **group living arrangement**?

If yes, go to 06.

If no, go to 07.

Appendix References: 2.3.0 Group Living Arrangement

Question 06

Is the primary person both:

a. **Blind or disabled**; and
b. Receiving **Social Security** benefits or **SSI** based on his/her disability?

If yes, go to 10.

If no, go to 07.

Appendix References: 1.6.1 Definitions

Question 07

Does the primary person pay for **board** or does anyone pay for board on his/her behalf?

If yes, do the following:

a. Total the number of prepared meals all members of the primary person's boarder group receive per day.
b. Divide "a." by the number of people in the boarder group. This is the average meals. Go to 08.

If no, go to 10.

Appendix References: 1.4.0 Boarder

Question 08

Does the primary person's **boarder group** receive more than 2 average meals a day?

If yes, do the following:

Look up the **FS allotment** for this boarder group size. This is their board test amount. Go to 09.

If no, do the following:

a. Look up the food stamp allotment for this boarder group size.
b. Multiply this allotment by 2/3. This is their board test amount.

Go to 09.

Appendix References: 1.4.4 Reasonable Compensation, 18.6.0

Question 09

Is the payment for board equal to or greater than the board test amount?

If yes, no one in this household is eligible in this determination.

If no, go to 10.

Question 10

Does the primary person reside in an **institution**?

If yes, go to 11.

If no, go to 12.

Appendix References: 2.1.0 Institution

Question 11

Is the primary person residing in the institution only temporarily?

If yes, go to 12.

If no, no one in this household is eligible in this determination.

Question 12

Is the primary person a **foster person**?

If yes, no one in this household is eligible in this determination.

If no, go to the Food Unit.

Appendix References: 1.5.0 Foster Care Recipients

Preface

This unit decides who is in the primary person's food unit. The primary person is the person on line 1 of the CAF.

- Don't assume a person is in or out of the food unit (1.2.0) until you are specifically told the person's status.

  Remember this when a question(s) asks about a particular household member. This unit will give you a food unit decision for every household member. Once you have that decision for each person, don't change it in this determination.
- You need to know what a family group is to correctly form the primary person's food unit. The primary person's family group (1.1.2) is described in step 01.
- Questions 01 through 25:
  1. Put the primary person and family into this food unit.
  2. Add household members to the food unit who must be in the food unit because of their relationships to household members already in the food unit. See the relationship rules (1.2.2).

  When you add someone to the food unit, (1.2.0) recheck all household (1.1.0) members who are still out of the food unit. Relationship rules may now pull them into the food unit.
- Questions 26-56 apply other food unit rules to these household members:
  a. Boarder groups (l.4.0),
  b. Foster persons, (l.5.0) and
  c. Persons who purchase and prepare (1.2.0) food with the food unit, including persons who're 60 or older and unable to purchase and prepare, (1.7.0) and attendant/housekeepers (1.8.0).

  The questions put them into or out of the food unit.

Appendix References: 1.1.0 Household, 1.1.2 Family Group, 1.2.0 Food Unit, 1.2.2 Relationship, 1.4.0 Boarder, 1.5.0 Foster Care Recipients, 1.7.0 Unable to Purchase & Prepare, 1.8.0 Attendant/ Housekeeper

Instructions

Test all household members in this unit. See below for special instructions on processing

Nonfinancial Worksheet

Use the Food Unit section of the Nonfinancial Worksheet (20.1.0).

- Circle "In" in the column of each household member who is in the food unit. Circle "Out" in the column of each household member who is not in the food unit.

Question 01

Put the following in the food unit. This is the food unit's family group.

a. Primary person.
b. Primary person's spouse or nonmarital coparent (NMCP).
c. Minor children over whom adult food unit members in a & b are exercising parental control.

Go to 02.

Question 02

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 03.

If no, the food unit is complete.
Go to the Individual Unit.

Question 03

Are there any of the following in the household who you haven't yet placed in or out of the food unit:

a. A spouse or parent with a food unit member?
b. A minor for whom any food unit member provides parental control?
c. Someone providing parental control to a minor food unit member?

If yes, pick a food unit member who has one of the above in the household and go to 04.

If no, go to 06.

Question 04

All the persons in this person's family group are <u>in</u> this food unit.

Go to 05.

Question 05

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.
Go to the Individual Unit.

Question 06

Does any food unit member have a child who is 21 years of age or younger in the household who you haven't placed in or out of the food unit?

If yes, pick one of the adult children and go to 09.

If no, go to 07.

Question 07

Does any food unit member have an adult child who is 22 years of age or older in the household who you haven't placed in or out of the food unit?

If yes, pick one of the children who is 22 years or older and go to 08.

If no, go to 14.

Question 08

Does that adult child purchase and prepare food separately from this food unit?

If yes, go to 11.

If no, go to 09.

Question 09

The following household members are in this food unit:

a. That adult child and
b. The members of that adult child's family group.

Go to 10.

Question 10

Is there anyone else in the household you haven't yet placed in or out of the food unit?

If yes, go back to 03.

If no, the food unit is complete.
Go to the Individual Unit.

Question 11

The following household members are out of this food unit:

a. That adult child and
b. The members of that adult child's family group.

Go to 12.

Question 12

Is there anyone else in the household who you haven't placed in or out of this food unit?

If yes, go to 13.

If no, go to 14.

Question 13

Does anyone in the food unit you've formed so far have an adult child who is 22 years of age or older who you haven't yet placed in or out of the food unit?

If yes, pick one of the adult children and go back to 08.

If no, go to 14.

Question 14

Among the household members you haven't yet placed in or out of the food unit, does anyone pay this food unit for board, or; does anyone pay for board on behalf of any of these remaining household members?

If yes, pick one of these boarder groups and do the following:

a. Add the number of prepared meals the members of this boarder group receive a day.
b. Divide (a) by the number or persons in this boarder group. This is the average meals. Go to 15.

If no, go to 22.

Question 15

Does this boarder group receive more than 2 meals on the average a day?

If yes:
Look up the FS **allotment** for the boarder group's size. This is the boarder group's board test amount. Go to 16.

If no:
Look up the FS allotment for this boarder group size.
Multiply this allotment by 2/3.
The result is this boarder group's board test amount. Go to 16.

Question 16

Is the amount this boarder group pays for board equal to or greater than the board test amount?

If yes, go to 17.

If no, go to 18.

Question 17

Does the primary person want to include this boarder group in his/her food unit?

If yes, go to 18.

If no, go to 20.

Question 18

The following household members are in this food unit:

a. Each member of this boarder group, and
b. Each person in the family group of each boarder group member.

Go to 19.

Question 19

Is there anyone else in the household who you haven't placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.
Go to the Individual Unit.

Question 20

Is there anyone else in the household you haven't placed in or out of this food unit?

If yes, go to 21.

If no, all remaining household members you haven't yet put in the food unit are **out** of the food unit. The food unit is complete. Go to the Individual Unit.

Question 21

Among the household members you haven't yet placed in or out of the food unit, does anyone pay this food unit for board, <u>or</u> does anyone pay for board on behalf of any of the remaining household members?

If yes, go back to 14 with another boarder group.

If no, go to 22.

Question 22

Does the food unit you've formed so far contain any foster care provider?

If yes, pick one foster care provider and go to 23.

If no, go to 33.

Question 23

Does this person provide foster care to any foster person(s) you haven't yet placed in or out of the food unit?

If yes, go to 24.

If no, go to 33.

Question 24

Is this foster care provider the primary person?

If yes, go to 25.

If no, go to 28.

Question 25

Does the primary person provide foster care to more than one foster person?

If yes, go to 26.

If no, go to 27.

Question 26

Does this primary person want any of the foster persons s/he provides foster care for brought into the food unit?

If yes, the following persons are in this food unit:

a. The foster person(s) this primary person provides care for and who the primary person wants brought into the food unit.
b. All members of the family group(s) of the foster person(s) in (a) above.

Go to 31.

If no, go to 32.

Question 27

Does this primary person want the foster person s/he provides foster care for brought into the food unit?

If yes, the following persons are in this food unit:

a. The foster person this primary person provides care for,
b. All members of this foster person's family group. Go to 31.

If no, go to 32.

Question 28

Is this person a foster care provider for more than one foster person?

If yes, go to 29.

If no, go to 30.

Question 29

Does the primary person want any of the foster persons s/he provides care for brought into the food unit?

If yes, the following persons are in this food unit:

a. The foster person(s) s/he provides care for and who the primary person wants brought into the food unit;
b. All members of this foster person's family group. Go to 31.

If no, go to 32.

Question 30

Does the primary person want the foster person s/he provides care for brought into this food unit?

If yes, the following persons are in this food unit:

a. The foster person this person provides care for and,
b. All members of this foster person's family group. Go to 31.

If no, go to 32.

Question 31

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.
Go to the Individual Unit.

Question 32

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 33.

If no, all remaining household members who you haven't yet put in the food unit are out of this unit. The food unit is complete. Go to the Individual Unit.

Question 33

Among the household members you haven't yet placed in or out of the food unit, does anyone purchase and prepare food with this food unit?

If yes, go to 34.

If no, all remaining household members are <u>out</u> of this food unit. They are ineligible in this determination. The food unit is complete. Go to the Individual Unit.

Question 34

From among these remaining household members who purchase and prepare food with this food unit, is there anyone who is <u>not</u> an attendant/housekeeper?

If yes, pick one person who is <u>not</u> an attendant/housekeeper, and go to 35.

If no, pick one person who **is** an attendant/housekeeper, and go to 36.

Question 35

Is any food unit member an attendant/ housekeeper to this person or to any member of this person's family group?

If yes, go to 41.

If no, go to 37.

Question 36

Is this person an attendant/ housekeeper to anyone in the food unit?

If yes, go to 41.

If no, go to 37.

Question 37

Is this person, his/her spouse, or his/her nonmarital coparent (NMCP) both of the following:

a. 60 years old or older and
b. Unable to prepare his/her own meals because s/he is disabled?

If yes, go to 38.

If no, go to 39.

Question 38

Is the combined gross income of all household members other than this person and his/her spouse (or NMCP) greater than their 165% Poverty Limit?

If yes, go to 39.

If no, go to 41.

Question 39

The following household members are in this food unit:

a. This person, and
b. The members of this person's family group.

Go to 40.

Question 40

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete. Go to the Individual Unit.

Question 41

The following household members are out of this food unit:

a. This person, and
b. The members of this person's family group.

Go to 42.

Question 42

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 43.

If no, the food unit is complete. Go to the Individual Unit.

Question 43

Among the remaining household members who you haven't yet placed in or out of this food unit, does anyone purchase and prepare food with this food unit?

If yes, go back to 34.

If no, all remaining household members are out of this food unit. They are ineligible in this determination. The food unit is complete. Go to the Individual Unit.

Preface

This unit tests each food unit member against most of the eligibility requirements s/he must meet individually to be eligible.

Instructions

Test each food unit member in the unit.

Don't test any household member who isn't in this food unit.

Worksheet

Use the Individual section of the worksheet.

Circle "Pass" in the column of each food unit member you find eligible in this unit. Circle "Fail" in the column of each ineligible food unit member.

Question 01

Does this person have an **SSN**?

If yes, go to 03.

If no, go to 02.

Appendix References: 5.1.0 Requirements

Question 02

Is this person cooperating with the agency in applying for an SSN; or, if this is a minor, is the primary person cooperating with the agency in applying for an SSN for the minor?

If yes, go to 04.

If no, the person for whom you don't have an SSN is ineligible until s/he cooperates. A minor without an SSN is ineligible until the primary person cooperates. Go to 42.

Question 03

Does this person refuse to furnish his/her SSN; or, if this is a minor, does the primary person refuse to furnish this minor's SSN?

If yes, the person for whom you don't have an SSN is ineligible until s/he cooperates. A minor without an SSN is ineligible until the primary person cooperates. Go to 42.

If no, go to 04.

Question 04

Is this person a **nonqualifying alien**?

If yes, s/he is ineligible. Go to 42.

If no, go to 05.

Appendix References: 4.2.0 Aliens

Question 05

Is this person's **citizenship** questionable?

If yes, s/he is ineligible. Go to 42.

If no, go to 06.

Appendix References: 4.1.0 Citizens

Question 06

Is this person included in any FS group that already received FS for the **payment month**?

If yes, go to 07.

If no, go to 11.

Question 07

Are the FS this person received for the payment month subject to recovery?

If yes, go to 11.

If no, go to 08.

Question 08

Is this person currently residing in a **shelter for battered women and children**?

If yes, go to 09.

If no, s/he is ineligible in this determination. Go to 42.

Appendix References: 2.5.0 Shelters for Battered Women & Children

Question 09

Do all FS groups in which this person received FS for the payment month also include the alleged abuser?

If yes, go to 10.

If no, this person is ineligible in this determination. Go to 42.

Question 10

Has this person already received FS for the payment month while in the shelter during the payment month?

If yes, s/he is ineligible in this determination. Go to 42.

If no, go to 15.

Question 11

Does this person reside in a **group living arrangement**?

If yes, go to 12.

If no, go to 13.

Appendix References: 2.3.0 Group Living Arrangement

Question 12

Is this person **blind or disabled**?

If yes, go to 15.

If no, this person is ineligible in this determination. Go to 42.

Appendix References: 1.6.1 Definitions

Question 13

Does this person reside in an **institution**?

If yes, go to 14.

If no, go to 15.

Appendix References: 2.1.0 Institution

Question 14

Is this person residing in the institution only temporarily?

If yes, go to 15.

If no, this person is ineligible in this determination. Go to 42.

Question 15

Is this person at least **18 but less than 50 years old**?

If yes, go to 16.

If no, s/he passes the individual tests and is eligible so far. Go to 31.

Appendix References: 7.1.1 Enrollment

Question 16

Is this person enrolled at least half time in an **institution of higher education**?

If yes, go to 17.

If no, s/he passes the individual tests and is eligible so far. Go to 31.

Appendix References: 7.1.1 Enrollment

Question 17

Is this student **disabled**?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 18.

Appendix References: 1.6.1 Definitions

Question 18

Is this student **physically or mentally incapable** of engaging in gainful employment?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 19.

Appendix References: 7.1.1 Enrollment

Question 19

Is this student **employed** (not self-employed) at least 20 hours a week?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 20.

Appendix References: 7.1.1 Enrollment

Question 20

Is this student self-employed 20 or more hours a week?

If yes, go to 21.

If no, go to 22.

Appendix References: 7.1.1 Enrollment

Question 21

Does this student **earn $103** or more a week?

If yes, s/he passes the individual tests and is eligible so far.

Go to 31.

If no, go to 22.

Appendix References: 7.1.1 Enrollment

Question 22

Is this student both employed **and** self-employed 20 or more hours a week and **earning $103** or more total?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 23.

Appendix References: 7.1.1 Enrollment

Question 23

Does this student participate in **Title IV-C Work Study**, and is s/he paid to participate?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 24

Appendix References: 7.1.1 Enrollment

Question 24

Does this student **provide care** to a dependent food unit member who is:

a. Under age 6, or
b. At least 6 but less than 12, where your agency has determined that adequate child care is not available?

If yes, go to 25.

If no, go to 26.

Appendix References: 7.1.1 Enrollment

Question 25

Is this the only student claiming to **provide care** for this child?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, allow student status for only one student per child. Go to 26 with the other person(s).

Appendix References: 7.1.1 Enrollment

Question 26

Is this student receiving a **W-2** cash payment, or in a W-2 employment position?

If yes, s/he passes the individual tests and is eligible thus far. Go to 31.

If no, go to 27.

Appendix References: 7.1.1 Enrollment

Question 27

Is this student assigned to or placed in an institution of higher education by the **Job Training Partnership Act (JTPA)** office?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 28.

Appendix References: 7.1.1 Enrollment

Question 28

Is this student participating in an on-the-job training program?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 29.

Appendix References: 7.1.1 Enrollment

Question 29

Is this student a single parent, and full-time student responsible for the care of a dependent food unit member under the age of 12?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 30.

Appendix References: 7.1.1 Enrollment

Question 30

Is this student a full-time student, not living with his/her spouse, responsible for the care of a dependent food unit member under 12 years of age, who does not have a parent or stepparent living with the child?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, this student is ineligible. Go to 42.

Question 31

Is this person a fleeing felon?

If yes, s/he is ineligible. Go to 42.

If no, s/he passes this individual test and is eligible so far. Go to 32.

Appendix References: 15.5.0 Fleeing Felons and Probation & Parole Viola

Question 32

Is this person a probation or parole violator?

If yes, s/he is ineligible. Go to 42.

If no, s/he passes this individual test and is eligible so far. Go to 33.

Appendix References: 15.5.0 Fleeing Felons and Probation & Parole Viola

Question 33

Did this person **commit a drug felony** after August 22, 1996, for which s/he has been convicted?

If yes, go to 34.

If no, s/he passes this individual test and is eligible so far. Go to 39.

Appendix References: 19.1.0

Question 34

Did this person submit to a drug test?

If yes, go to 35.

If no, s/he is ineligible. Go to 42.

Appendix References: 19.1.0

Question 35

Did this person pass the drug test?

If yes, this person passes this individual test and is eligible so far. Go to 39.

If no, s/he is ineligible for 12 months. Go to 36.

Question 36

Has this person finished his/her 12 months of ineligibility and requested another drug test?

If yes, go to 37.

If no, s/he is ineligible. Go to 42.

Appendix References: 19.1.1

Question 37

Did this person pass the second drug test?

If yes, s/he passes this individual test and is eligible so far. Go to 39.

If no, s/he is ineligible for the FS Program for an additional 12 months. Go to 42.

Question 38

Is this person required to cooperate with the Child Support Agency?

If yes, go to 39.

If no, go to 42.

Question 39

Is this person **cooperating with the child support agency**?

If yes, s/he passes this individual test and is eligible. Go to 42.

If no, go to 40.

Appendix References: 10.1.0 Cooperation Criteria

Question 40

Is this person a minor?

If yes, s/he passes this individual test and is eligible. Go to 42.

If no, go to 41.

Appendix References: 10.1.0 Cooperation Criteria

Question 41

Does this person **have good cause for a waiver** of his/her child support cooperation?

If yes, this person is eligible. Go to 42.

If no, this person is ineligible. Go to 42.

Appendix References: 15.7.0 Child Support Cooperation

Question 42

Is there another food unit member you haven't yet tested in this Unit?

If yes, go back to 01 with another food unit member.

If no, go to 43.

Question 43

Did at least one food unit member pass the individual tests?

If yes, go to the Work Participation Unit.

If no, no one is eligible in this determination. Eligibility testing is complete.

Preface

This unit does the following:

- Questions 01 through 16: These decide whether each food unit member is mandatory (8.1.0) for or exempt (8.2.1) from FS Work Programs (8.1.0) participation.
- Questions 17 through 19: These check if exempt persons want to register voluntarily (8.2.2). They then send you back to the beginning of the unit to test the next person.

Appendix References: 8.1.0 Food Stamp Employment and Training Program , 8.2.1 Exemptions From FSET Registration, 8.2.2 Volunteers

Instructions

Test each food unit member in this unit, regardless of eligibility.

Don't test any household member who isn't in this food unit.

Worksheet

Use the Work Participation section of the Nonfinancial Worksheet (20.1.0).

- Circle "Man" in the column of each food unit member who is mandatory work programs participant. Circle "Ex" in the column of each food unit member who is exempt from FS work programs participation. Circle "Vol" in the column of each food unit member who is a voluntary work programs participant.

Question 01

Is this person a mandatory participant in a **W-2 employment position** or a second parent in a W-2 employment position household?

If yes, go to 02.

If no, go to 03.

Question 02

Is this person enrolled in a W-2 employment position, or enrolled in activities as a W-2 second parent?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 03.

Question 03

Is this person **under 16**?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 04.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 04

Is this person **60 years old or older**?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 05.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 05

Is this person **16 or 17 years old**?

If yes, go to 06.

If no, go to 07.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 06

Is this person the primary person?

If yes, go to 07.

If no, this person is exempt from FS Work Programs participation. Go to 18.

Question 07

Is this person **enrolled** at least half time in a recognized school, employment training program, or institution of higher education?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 08.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 08

Is this a **migrant or farm worker** under contract or similar agreement to begin employment within 30 days?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 09.

Appendix References: 8.2.1 Exemptions From FSET Registration, 8.1.4

Question 09

Is this person **employed or self- employed**?

If yes, go to 10.

If no, go to 12.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 10

Is this person employed or self-employed for **at least 30 hours/week**?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 11.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 11

Is this person's weekly wage at **least $154.50**?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 12.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 12

Is this person physically or **mentally incapable of engaging in gainful** employment?

If yes, this person is exempt from FS Work Programs participation. Go to 18.

If no, go to 13.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 14

Does this person **provide care** for a child under 1 or for a person who is incapacitated?

If yes, go to 15.

If no, go to 16.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 15

Have you already exempted another person in this food unit for providing care for a child under 1 or for an incapacitated person?

If yes, go to 16.

If no, this person is exempt from FS Work Programs participation. Go to 18.

Question 16

Is the other person providing care to a different child under age 1, or incapacitated person other than this person?

If yes, this person is also exempt. Go to 18.

If no, go to 17.

Question 17

Does this person receive **Unemployment Compensation** or has s/he applied for it? (In doing either of these the person must register for work.)

If yes, exempt this person from FS Work Programs participation. Go to 18.

If no, this person is a mandatory FS Work Programs participant. Register him/her. Go to 19.

Appendix References: 8.2.1 Exemptions From FSET Registration

Question 18

Although this person is exempt from work registration, s/he may **volunteer** to be registered. Does s/he wish to volunteer?

If yes, register this person. Go to 19.

If no, go to 19.

Appendix References: 8.2.2 Volunteers

Question 19

Is there another food unit member you haven't yet tested in this unit?

If yes, go back to 01 with him/her.

If no, go to the Sanctions Unit.

Preface

- This unit decides who is ineligible if someone in the food unit **voluntarily quits** employment (8.4.0), or doesn't comply with FS **Work Program requirements** (8.0.0) or State or Federal QC reviewers.
- Question 01: This question continues an **Intentional Program Violation (IPV)** (6.1.0) already in effect.
- Questions 02 through 06: These continue or lift a voluntary quit sanction. They also begin a new voluntary quit sanction for this individual.
- Questions 07 through 21: These continue or lift a sanction for FS Work Program noncompliance. They also start a new sanction for FS Work Program noncompliance. They also apply an ABAWD strike. The sanction or strike will apply to individual food unit members.
- Questions 22 through 29: These continue or lift a sanction for noncompliance with State or Federal QC reviewers. They also begin a new sanction for noncompliance with Federal or State QC reviewers. These sanctions apply to the whole food unit.

Appendix References: 6.1.0 Disqualification, 8.0.0 WORK REQUIREMENTS, 8.4.0 Voluntary Quit (VQ)

Instructions

- Test all food unit members, eligible or not, in this unit. Don't test any household members who aren't in this food unit.

  Some questions ask about the whole food unit. Others ask about individual food unit members.

Nonfinancial Worksheet

- Use the Sanctions section of the Nonfinancial Worksheet (20.1.0)

  Circle "Not Sanct." in the column of any food unit member who doesn't have a new or ongoing sanction, or from whom you lift a sanction in this unit.

  Re

Question 01

Is anyone in this FS group already within a sanction period for IPV?

If yes, continue that person(s) sanction. Go to 02.

If no, go to 02.

Question 02

Did any food unit member quit a job:

a. During the 60 days before his/her most recent application for FS; or
b. At any time after his/her most recent beginning eligibility date?

If yes, go to 03 with one person who did so.

If no, go to 07.

Question 03

Did this person have **good cause** for quitting employment?

If yes, go to 07.

If no, go to 04.

Appendix References: 8.6.0 Sanctions

Question 04

Is this person now exempt from FSET participation?

If yes, go to 07.

If no, go to 05.

Question 05

Did this person receive food stamps in the payment month or the month before the payment month?

If yes, person is ineligible for the next 3 possible payment months. You are done with this determination.

If no, this person is ineligible for 90 days from the date of the quit. You are done with this determination.

Appendix References: 8.6.2 VQ Sanction Periods

Question 06

Is there another food unit member who quit a job:

a. During the 60 days before his/her most recent application for FS; <u>or</u>
b. At any time after his/her most recent beginning eligibility date?

If yes, go back to 03 with another person who quit.

If no, go to 07

Question 07

Is anyone already within a sanction period for FS Work Program non-compliance?

If yes, go to 08 with one of the persons who did not comply.

If no, go to 11.

Question 08

Is this person now exempt from FS Work Programs participation?

If yes, lift the sanction from this person. Go to 10.

If no, go to 09.

Question 09

Is this person now complying with FS Work Program requirements?

If yes, lift the sanction from this person. Go to 10.

If no, continue to sanction this person. Go to 10.

Question 10

Is anyone else within a sanction period for FSET work requirements non-compliance?

If yes, go back to 08 with one person who did not comply.

If no, go to 11.

Question 11

Have you received notice that someone has refused or failed to comply with FSET requirements?

Have you received notice that someone has refused or failed to comply with FSET requirements?

If yes, go to 12 with one of the people who didn't comply.

If no, go to 22.

Question 12

Is this person a mandatory FSET participant?

If yes, go to 13.

If no, go to 22.

Question 13

Did this person have good cause for failing to comply?

If yes, do not sanction. Go to 22.

If no, apply the appropriate sanction period (1, 3 or 6 months). Go to 14.

Question 14

At the time of refusal or failure to comply was this person **under 18 or 50 years of age or over**?

If yes, do not apply an **ABAWD** (Able-Bodied Adult Without Dependents) strike. Go to 22.

If no, go to 15.

Appendix References: 8.8.0 ABAWDs, 8.8.1 Excluded Persons

Question 15

At the time of refusal or failure to comply was this person pregnant?

If yes, do not apply an ABAWD strike. Go to 22.

If no, go to 16.

Question 16

At the time of refusal or failure to comply was this person in a household with a minor child?

If yes, do not apply an ABAWD strike. Go to 22.

If no, go to 17.

Question 17

Is this person currently exempt from FSET work participation?

If yes, do not apply an ABAWD strike. Go to 22.

If no, go to 18.

Question 18

Is this person <u>currently</u> under 18 or 50 years of age or older?

If yes, do not apply an ABAWD strike. Go to 22.

If no, go to 19.

Appendix References: 8.8.3 Regaining Eligibility

Question 19

Is this person currently pregnant?

If yes, do not apply an ABAWD strike. Go to 22.

If no, go to 20.

Appendix References: 8.8.3 Regaining Eligibility

Question 20

Is this person currently part of a FS group with a minor child?

If yes, do not apply an ABAWD strike. Go to 22.

If no, apply an ABAWD strike. Go to 21.

Appendix References: 8.8.3 Regaining Eligibility

Question 21

Does this person have three ABAWD strikes within the past 36 months?

If yes, end FS eligibility for this person until the appropriate sanction period is done and the person has completed the ABAWD sanction cure. Go to 22.

If no, go to 22.

Appendix References: 8.8.2 ABAWD Strikes

Question 22

Have you received a FS Work Program **noncompliance** report on someone else?

If yes, go back to 12 with one of them.

If no, go to 23.

Question 23

Is anyone already within a sanction period for refusing to cooperate with state or federal QC reviewers?

If yes, go to 24.

If no, go to 25.

Question 24

Do all non-cooperating person(s) now cooperate with the FS QC reviewers?

If yes, lift the sanction from the food unit. Go to the FS Group Unit.

If no, continue this food unit's sanction.
You are done with this determination.

Question 25

Did a previous FS QC review sanction period expire?

If yes, go to 26.

If no, go to 27.

Question 26

Has the food unit provided verification of all eligibility factors at any time since the end of the most recent QC review sanction period?

If yes, go to the FS Group Unit.

If no, the food unit is ineligible.
You are done with this determination.

Question 27

Have you received notification that a food unit member(s) is refusing to cooperate with a state or federal QC review?

If yes, go to 28.

If no, go to the FS Group Unit.

Question 28

Was the QC review by state staff?

If yes, go to 29.

If no, go to 30.

Question 29

The food unit is ineligible. Begin the sanction period with the next possible payment month. The sanction extends through 95 days after the end of the annual quality review period or until the food unit member(s) cooperate, whichever occurs first. You are done with this determination.

Question 30

The food unit is ineligible. Begin the sanction period with the next possible payment month. The sanction extends through 7 months after the end of the annual quality review period or until the food unit member(s) cooperate, whichever occurs first. You are done with this determination.

Preface

This unit does the following:

- Question 01: This forms the primary person's FS group.
- Question 02: This question denies any FS group that contains anyone who is receiving commodities through a Native American tribe's Food Distribution program (3.2.1).
- Questions 03 through 07: These decide whether the FS group is a categorically eligible (1.3.1) FS group or a standard FS group (1.3.2).
- Some questions ask about the whole food unit. Others ask only about the FS group.

Instructions

Test the whole food unit collectively in this unit.

- Don't test persons who aren't in the food unit.

Worksheet

Use the FS Group section of the Nonfinancial worksheet (20.1.0).

- Circle "In" in the column of each food unit member who is in the FS group.
- Circle "Out" in the column of each food unit member who is out of the FS group.
- Circle "Cat" if the FS group is categorically eligible. Note if the group is mixed categorically eligible.
- Circle "Standard" if the FS group is a standard FS group.
- Write the number of persons in the food unit and the number of persons in the FS group in the spaces provided.

Question 01

Is any food unit member still nonfinancially eligible?

If yes, the food unit members who are still eligible are the FS group. Go to 02.

If no, no one is eligible in this determination. You are done with this determination.

Question 02

Is anyone in this FS group receiving commodities through a Native American tribe's Food Distribution Program?

If yes, this FS group is ineligible in this determination. You are done with this determination.

If no, go to 03.

Question 03

Will a member of the FS group receive either W-2 payments, W-2 Trial Job wages, AFDC or SSI during the payment month?

If yes, go to 05.

If no, go to 04.

Question 04

Has a member of the FS group applied for and been found eligible for **W-2 payments or a W-2 employment position, AFDC or SSI** for the payment month, but not yet received his/her first W-2 payments, or AFDC or SSI benefits?

If yes, go to 05.

If no, this is a standard FS group.
Go to 09.

Appendix References: 1.3.1 Categorically

Question 05

Is someone in the food unit already within a sanction period for **IPV**?

If yes, this is a standard FS group.
Go to 09.

If no, go to 06.

Appendix References: 6.1.0 Disqualification

Question 06

Have you been notified in writing by a court or by the State Office of Administrative Hearings that a member of the FS group has committed IPV?

If yes, this is a standard FS group.
Go to 09.

If no, go to 07.

Question 07

Is someone in the food unit already ineligible to be in the FS group because s/he didn't cooperate with FS Work Program requirements?

If yes, go to 09.

If no, go to 08.

Question 08

Is someone in the group receiving SSI but is an **ineligible alien** under FS rules?

If yes, this FS group is not categorically eligible for FS based on the receipt of SSI by the ineligible alien. Go to 10.

If no, go to 09.

Appendix References: 4.2.0 Aliens

Question 09

Are all members of the FS group receiving AFDC, SSI, or W-2 payments, or in a W-2 employment position?

If yes, this is a **categorically eligible** FS group. Go to the Introductory Financial Unit.

If no, go to 10.

Appendix References: 1.3.1 Categorically

Question 10

Is anyone in this FS group a person who was found ineligible for FS because s/he **divested**?

If yes, pick one of these persons and go to 11.

If no, go to 12.

Appendix References: 11.5.0 Divestment

Question 11

Will this person still be in his/her divestment **disqualification period** during the payment month?

If yes, this FS group is ineligible in this determination. You are done with this determination.

If no, go to 12.

Appendix References: 11.5.0 Divestment

Question 12

Does at least one (but not all) member of the FS group receive AFDC, SSI, or W-2 payments, or is in a W-2 employment position?

If yes, go to 13.

If no, go to 14.

Appendix References: 1.3.1 Categorically

Question 13

Is there anyone in the group who is sanctioned for WP or IPV or an ineligible alien?

If yes, this group is not mixed categorically eligible. Go to 14

If no, this is a **mixed categorically eligible** FS group. Go to the Introductory Financial Unit.

Appendix References: 1.3.2 Mixed Categorically

Question 14

Is there anyone else in this FS group you haven't tested yet in step 10 who was previously found ineligible because s/he divested?

If yes, pick one of these persons and go back to 11.

If no, go to the Introductory Financial Unit

Question 01

Is this a **categorically eligible** FS group?

If yes, go to the Unearned Income Unit.

If no, go to 02.

Appendix References: 1.3.1 Categorically

Question 02

Does anyone in the food unit have a **vehicle**?

If yes, go to the Vehicle Unit.

If no, go to the Assets Unit.

Appendix References: 11.3.0 Vehicles

Preface

Beginning with the first one listed, test each vehicle (11.3.0) listed on the CAF.

Question 01

Does a member of the food unit own, at least in part, this vehicle?

If yes, go to 02.

If no, go to 18.

Question 02

Is the member of the food unit who owns this vehicle, at least in part, an AFDC SSI, or W-2 recipient (either employment or payments)?

If yes, exempt the vehicle.

If no, go to 03.

Question 03

Is this vehicle needed to transport a physically **disabled** food unit member?

If yes, go to 04.

If no, go to 05.

Appendix References: 11.3.7 Used as Home

Question 04

Have you already exempted a vehicle for transporting this food unit member?

If yes, don't exempt this vehicle. Go to 05.

If no, exempt this vehicle. Go to 20.

Question 05

Is this vehicle owned only by a FS group member(s)?

If yes, go to 08.

If no, go to 06.

Question 06

Is this vehicle owned, in whole or part, by a food unit member who isn't a FS group member because s/he:

a. Is an ineligible student,
b. Is an ineligible alien,
c. Has questionable citizenship status,
d. Has refused to provide or apply for a SSN, <u>or</u>
e. Is disqualified due to a work pro- gram violation?

If yes, compute the amount of vehicle assets to **deem** from this person to the FS group.

Go to 07.

If no, go to 07.

Appendix References: 15.0.0 DEEMING AND INELIGIBLE PERSONS

Question 07

Does a member of the FS group also own this vehicle?

If yes, go to 08.

If no, go to 20.

Question 08

Must this vehicle, by Wisconsin law, be **registered** (licensed) before it may be operated?

If yes, go to 09.

If no, go to 10.

Appendix References: 11.3.2 Owned By Food Unit Members Not In The FS Group

Question 09

Is this vehicle registered?

If yes, go to 11

If no, go to 10.

Question 10

Determine this vehicle's **equity value**. Add that amount to "Vehicle Assets", FS Worksheet (20.2.0), line 1.
Go to 20.

Appendix References: 11.3.4 Market Value

Question 11

Is this vehicle used for **producing income**?

If yes, exempt this vehicle. Go to 20.

If no, go to 12.

Appendix References: 11.3.5 Equity Value

Question 12

Is this vehicle used as the food unit's **home**?

If yes, exempt this vehicle. Go to 20.

If no, go to 13.

Appendix References: 11.3.6 Vehicles Producing Income

Question 13

Is this vehicle used to haul the food unit's primary source of fuel or water?

If yes, exempt this vehicle. Go to 20.

If no, go to 14.

Question 14

Is this vehicle needed by a food unit member to **get to or obtain employment**?

If yes, go to 16.

If no, go to 15.

Appendix References: 11.3.8 Physically Disabled

Question 15

Is this vehicle needed by a food unit member **to get to training or education** preparing him/her for employment?

If yes, go to 16.

If no, go to 19.

Appendix References: 11.3.8 Physically Disabled

Question 16

Determine this vehicle's **market value**.
Go to 17.

Appendix References: 11.3.3 Registration

Question 17

Subtract $4,650 from the market value of each vehicle. The balance is the **excess market value**. Go to 18.

Appendix References: 11.3.4.3 Excess Market Value (MV)

Question 18

Add this vehicle's excess market value to line 1 of the FS Worksheet.
Go to 20.

Question 19

Determine this vehicle's equity value.

Go to 20.

Question 20

Is there another vehicle listed on the CAF you haven't yet tested in this unit?

If yes, take the next vehicle to 01.

If no, go to 21.

Question 21

Were you instructed to determine the equity value of a registered vehicle?

If yes, go to 22.

If no, go to the Assets Unit.

Question 22

Were you instructed to determine the equity value for more than 1 registered vehicle?

If yes, go to 23.

If no, this vehicle is the food unit's **personal use** vehicle. Go to 24.

Appendix References: 11.3.8 Physically Disabled

Question 23

Compare the equity value of each vehicle whose equity value you computed. The vehicle with the highest equity value is the food unit's personal use vehicle. Go to 24.

Question 24

Compute the market value of the personal use vehicle. Go to 25.

Question 25

Subtract $4,650 from this vehicle's market value. The balance is its excess market value. Go to 26.

Question 26

Add this vehicle's excess market value to line 1 of the FS Worksheet.

Go to 27.

Question 27

Were you instructed to compute the equity value for any other vehicle?

If yes, take the other vehicle(s) to 28.

If no, go to the Assets Unit.

Question 28	For each registered vehicle you've already determined an equity value, determine its market value. Go to 29.
Question 29	Subtract $4,650 from the market value of each registered vehicle. The balance is the excess market value. Go to 30.
Question 30	For each registered vehicle you computed an equity value for, compare its: a. Equity value, **and** b. Excess market value. Add the highest values for each vehicle together. Enter the total on line 1 of the FS Worksheet. Go to the Assets Unit.

Question 01

Add up the **countable, available assets** belonging to the members of the FS group. Do not count any **W-2 group (except case management only), or SSI recipient's assets**. Count assets of GR recipients. Do not deem assets from aliens who are receiving State Option FS, to the FS group.
Assets deemed to the FS group from ineligible members of the food unit.
+
Savings accounts
+
Individual Retirement Accounts (IRA) (less any early withdrawal penalty)
+
KEOGH plan accounts (less any early withdrawal penalty)
+
Checking accounts
+
Cash
+
Cash value of **US Savings Bonds**
+
Burial Funds
+
Assets **deemed** to an alien from his/her sponsor
+
Other assets.

Go to 02.

Appendix References: 11.0.0 ASSETS, 11.4.23 Savings Accounts, 11.4.26 Checking Accounts, 11.4.27 Cash, 11.4.28 US Savings Bonds, 11.4.5 Burial Plot, 11.4.6 Retirement Funds, 15.3.0 Ineligible Alien, Citizenship or SSN-Relate

Question 02

Enter this total on line 2 of the FS Worksheet (20.2.0) as "Other Assets".

Go to 03.

Question 03

Add "Other Assets" to the amount on line 1 (FS Worksheet), "Vehicle Assets". Enter the total on line 3 (FS Worksheet).

Go to the Asset Test & Divestment Unit.

Question 01

Is at least 1 member of this FS group age 60 or older?

If yes, go to 03.

If no, go to 02.

Question 02

Enter **$2,000** on line 4 of the FS Worksheet (20.2.0). Are "Total Assets" more than $2,000?

If yes, this FS group isn't eligible in this determination.

If no, go to 04.

Appendix References: 11.1.0 Guidelines

Question 03

Enter **$3,000** on line 4 of the FS Worksheet. Are "Total Assets" greater than $3,000?

If yes, this FS group isn't eligible in this determination.

If no, go to 04

Appendix References: 11.1.0 Guidelines

Question 04

Has any of the following **given away assets** within 3 months before the FS application or at any time since becoming eligible?

a. An FS group member,
b. A food unit member who is ineligible for FS because s/he:
   (1) Committed an **IPV** or,

   (2) Didn't provide or apply for an **SSN**,

   (3) Is an **ineligible alien**,

   (4) Has **questionable citizenship**, or

   (5) Is disqualified due to a **work program violation**.

If yes, go to 05.

If no, go to 10.

Appendix References: 11.5.0 Divestment, 11.5.4 Transfers

Question 05

Did this person give the asset(s) to one of the following persons?

a. An FS group member, or
b. A food unit member who is disqualified from the FS group for:
   (1) An IPV,

   (2) Failing to provide or apply for an SSN,

   (3) Being an ineligible alien,

   (4) A questionable claim of citizenship, or

   (5) Violating a work program requirement.

If yes, go to 10.

If no, go to 06.

Question 06

Did this person knowingly **give away** this asset(s) in an attempt to make the FS group eligible for FS?

If yes, go to 07.

If no, go to 10.

Appendix References: 11.5.2 Burden of Proof

Question 07

Add the value of the asset(s) given away to the FS group's "Total Assets".

Go to 08.

Question 08

Is the total of transferred assets (from 07) plus "Total Assets" more than the FS group's asset limit (FS Worksheet, line 4)?

If yes, this FS group is ineligible in this determination. Go to 09.

If no, go to 10

Question 09

Subtract the FS group's asset limit (FS Worksheet, line 4) from the "Total Assets" in step 07. Use the remainder to determine the **period** this FS group is ineligible because of divestment.

Appendix References: 18.5.0

Question 10

Does anyone in the FS group have **unearned income**?

If yes, go to the Unearned Income Unit.

If no, go to the Earned Income Unit.

Appendix References: 12.2.0 Unearned Income

Question 01

Is there a food unit member with unearned income who is **disqualified** from the FS group for:

a. An IPV,
b. Failing to provide an SSN,
c. Violating a work program requirement,
d. Being an ineligible alien, or
e. A questionable claim of citizenship?

If yes, determine the amount of the disqualified person's income **deemed** to the FS group. Go to 02.

If no, go to 02

Appendix References: 15.0.0 DEEMING AND INELIGIBLE PERSONS, 8.7.0 Striker

Question 02

Add up the monthly amounts of all the following types of income received by persons in the FS group:

Income deemed from food unit members not part of the FS group. (Do not deem from aliens who are receiving State Option FS, to the FS group.
+
Gross **Social Security** benefits including **Medicare** premium
+
Maintenance and/or **child support**
+
Current month's **CS disregard**
+
Current month's **CS refund**
+
Supplemental Security Income (SSI)
+
SSI-Exceptional Exp. Supplement (SSI-E)
+
Unemployment Compensation
+
General Relief, including work relief.
+
Recurring **profit sharing** payments.
+
Strike benefits
+
Striker's income (highest of pre-strike or current income)
+
Prorated monthly **student** income from loans, grants, and the like
+
Foster care payments for children or adults
+
Moneys withdrawn or dividends which are, or could be, received from an exempt **trust fund**
+
Worker's Compensation
+
W-2 Payments received because of participation in a W-2T or CSJ position, or as the custodial parent of an infant.
+
Employer subsidy and the earned income deduction portion of **W-2 Trial Job** Wages
+
Caretaker Supplement For Children (C-Supp)
+
Kinship Care
+
All other unearned income listed.

Go to 3

Appendix References: 1.5.1 Foster Payment, 12.2.25 Child Support (CS), 12.2.25.2 CS DEFRA Disregard, 12.2.25.3 CS Refund, 12.2.33 SSI, 12.2.33.3 SSI-E Payments, 12.2.34 Unemployment Compensation, 12.2.35 General Relief, 12.2.36 Social Security,

Question 03

Enter total unearned income on line 8, FS worksheet.

Go to the Earned & Training Income Unit.

Appendix References: 12.2.0 Unearned Income

Question 01

Is there a food unit member with **earned income** who is disqualified from the FS group for:

a. An IPV,
b. Failing to provide an SSN,
c. Violating a work program requirement,
d. Being an ineligible alien, or
e. A questionable claim of citizenship?

If yes, determine the amount of the disqualified person's income deemed available to the FS group. Go to 02.

If no, go to 02.

Appendix References: 12.3.0 Earned Income

Question 02

Is there a FS group member with earned income or an Employment-Training Incentive or Payment?

If yes, go to 03.

If no, go to Room & Board Unit.

Question 03

Is s/he 17 years of age or younger?

If yes, go to 05 with this person.

If no, go to 04 with this person.

Question 04

Did s/he turn 18 years of age this month?

If yes, go to 05.

If no, go to 07.

Question 05

Is s/he a student enrolled at least 1/2 time in a grade, high, or technical school, or in a college, university or training program?

If yes, go to 06.

If no, go to 07.

Question 06

Is s/he living:

a. In the same FS group with a natural, adoptive, or step-parent, or
b. Under the parental control of another member of the same FS group other than a parent, or
c. In a separate FS group but living with a natural, adoptive, or stepparent?

If yes, disregard all of his/her earned income. If there is another FS group member with earned or training income, return to 03.

If there are no more members with earned or training income, go to 07.

If no, go to 07.

Appendix References: 12.3.21 Students

Question 07

Add his/her **monthly** income from:

Wages & Salary
+
W-2 Trial Job wages (in part)
+
Rental Property
+
Self-employment
+
JTPA On-the-job Training Payments
+
Other **Earned Income**
+
Tips
+
Work Incentive & Training Payments
+
Striker's income (highest of pre-strike or current income).

Go to 08.

Appendix References: 12.2.51 W-2 Trial Job Wages, 12.3.0 Earned Income, 12.3.1 Monthly Income Rule, 12.3.12.1 JTPA On The Job Training (OJT), 12.3.13 Rental Income, 12.3.14 Training Allowances, 12.3.25 Governor's Central City Initiative, 12.3.2

Question 08

Enter the total monthly earned income on line 5 of the FS Worksheet (20.2.0)

Go to the Room & Board Income Unit.

Question 01

Does anyone pay money to someone in the FS group for room or **board** (or both) at the FS group's address?

If yes, go to 02.

If no, go to the Income Computation Unit.

Appendix References: 1.4.0 Boarder

Question 02

Is the person who pays the money in the same FS group as the person s/he pays?

If yes, ignore the payment. Go to the Income Computation Unit.

If no, go to 03.

Question 03

Is this income from a commercial boarding house operated by someone in the FS group?

If yes, determine monthly **self employment income**. Go to 06.

If no, go to 04.

Appendix References: 13.4.0

Question 04

Does anyone who is not in this FS group, pay money to someone in the FS group to only room at the group's address?

If yes, determine monthly self employment income. Go to 05.

If no, go to 05.

Question 05

To determine income from any remaining boarders, subtract the allotment maximum for the number of boarders. If the FS group documents that the actual cost of providing room and board is more, use the actual amount.

Go to 06.

Question 06

Enter any remaining room and board income on line 6, Food Stamp Worksheet.

Go to the Income Computation Unit.

Preface	Any FS group that does **not** contain an elderly or disabled person or isn't categorically eligible must pass a gross income test. Test their gross income against the gross income limit (18.1.0). If the group passes the "Gross Income Limit" test, reduce the group's income by the following exclusions and deductions.
Question 01	Add the earned income (line 5) to room and board earned income (line 6). Enter the sum in total earned income (line 7) of the FS Worksheet (20.2.0). Go to 02.
Question 02	Add total earned income (line 7) to total unearned income including AFDC grant (line 8). Enter the sum in total gross income (line 9). Go to 03.
Question 03	Is anyone in the FS group elderly or disabled? If yes, go to 07. If no, go to 04.
Question 04	Did you determine this FS group to be categorically eligible? If yes, go to 08. If no, go to 05.
Question 05	Enter the **gross income limit** (line 10) for the appropriate FS group size. Go to 06. **Appendix References:** 18.1.0
Question 06	Is the total gross income (line 9) larger than the gross income limit (line 10)? If yes, this FS group isn't eligible. If no, go to 11.
Question 07	Don't require this FS group to meet the Gross Income Test. Enter "NA" (not applicable) in gross income limit (line 10).

Go to 09

Question 08

Don't require this FS group to meet the Gross Income Test. Enter "NA" (not applicable) in gross income limit (line 10).

Go to 11.

Question 09

Are the total allowable medical expenses of the group's elderly, disabled, and/or blind members more than $35 a month?

If yes, go to 10.

If no, go to 11.

Appendix References: 16.4.5 Allowed Expenses

Question 10

Enter the amount of the allowable medical expenses of the elderly, disabled, and/or blind members over $35 per month in excess medical expenses (line 11) of the worksheet.

Go to 12

Question 11

Enter "0" in excess medical expenses (line 11).

Go to 12

Question 12

Enter the **earned income deduction** (line 12). The earned income deduction is 20% of the total earned income (line 7).

Go to 13

Appendix References: 16.3.0 Earned Income

Question 13

Enter the **standard deduction** (line 13).

Go to 14

Appendix References: 18.3.0

Question 14

Is there a food unit member who pays court ordered **child support** to a nonhousehold member <u>and</u> who is disqualified from the FS group for one of the following reasons:

a. Failing to provide a SSN,
b. Being an ineligible alien.

If yes, divide the amount of child support paid evenly among the food unit members, including the disqualified member. Allow all but the disqualified member's portion as a deduction. Enter the amount in child support payment deduction (line 14). Go to the Dependent Care Unit.

If no, go to 15.

Appendix References: 16.5.0 Child Support

Question 15

Is there a FS group member who pays court ordered child support to a nonhousehold member?

If yes, enter the amount in child support payment deduction (line 14). Go to the Dependent Care Unit.

If no, enter "0" in child support payment deduction (line 14). Go to the Dependent Care Unit.

Preface

The cost of dependent care (16.5.0) for a child under 2 is limited to $200 a dependent a month. It is limited to $175 a dependent a month for all other dependents.

In this unit determine the amount billed (16.1.2) to FS group members and those food unit members from whom you deem expenses for dependent care. Compare the amount billed to the limit.

Question 01

Is there a dependent minor or adult food unit member for whom someone pays dependent care costs?

If yes, go to 02 with 1 of the dependents for whom the payment is made.

If no, enter "0" in dependent care deduction (line 15) of the FS Worksheet (20.2.0). Go to the Shelter & Utilities Computation Unit.

Question 02

Is the person who is billed this individual's dependent care costs either:

a. A FS group member; or,
b. An ineligible food unit member from whom you deem expenses?

If yes, go to 03.

If no, don't allow any of this person's dependent care costs as a FS group expense. Go to the Shelter & Utilities Computation Unit.

Question 03

Is this cost necessary to enable someone in the food unit to:

a. Keep or obtain employment or,
b. Get training or education preparatory to employment or,
c. Comply with employment and training requirements (FSET)?

If yes, go to 04.

If no, don't allow this person's dependent care expenses. Go to 08.

Question 04

Does a food unit member provide the dependent care?

If yes, don't allow this person's dependent care costs. Go to 08.

If no, go to 05.

Question 05

Is the dependent care paid for with money (not an **in kind**) payment?

If yes, go to 06.

If no, don't allow this person's dependent care expenses. Go to 08.

Appendix References: 16.5.0 Child Support

Question 06

Determine the total cost of care for this dependent as billed to:

a. A FS group member(s), or
b. The ineligible food unit member and deemed to the FS group.

Go to 07.

Appendix References: 16.1.2 Amount Due

Question 07

Does this person's dependent care cost more than the monthly limit?

If yes, only allow the maximum amount:

a. $200 for this dependent if under age 2.
b. $175 for this dependent if age 2 or over.

Go to 08 with this amount.

If no, allow the actual amount. Go to 08 with this amount.

Question 08

Is there another dependent in the food unit for whom someone pays dependent care?

If yes, go to 09.

If no, enter the amount from step 07 (if any) in dependent care deduction (line 15). Go to the Shelter & Utilities Computation Unit.

Question 09

Have you taken all dependents through the unit?

If yes, add the amounts for each of the dependents from 07. Enter this amount in dependent care (line 15). Go to the Shelter & Utilities Computation Unit.

If no, go to 02 with 1 of the remaining dependents.

Worksheet

Use the **FS Worksheet** (20.2.0)

Question 01

Is anyone in the food unit billed regularly for or sharing the costs separately from his/her rent or mortgage for:

a. **Heating**,
b. Cooking fuel,
c. Electricity, or
d. Water heating fuel?

If yes, go to 02.

If no, go to 08.

Appendix References: 16.7.0 Shelter

Question 02

Does at least one of the following conditions describe this food unit?

a. CARES requires the application function. An "AP" must be entered to process the data you've entered.
b. It requests a transfer from another county or tribal agency.
c. It has never made a **choice** between actual expenses and a standard utility allowance (SUA) for fuel and utility expenses because there have been no such expenses.
d. It now chooses to change its fuel and utility expense **choice** and the change is permitted.

If yes, go to 03.

If no, go to 04.

Appendix References: 16.7.0 Shelter

Question 03

Document the choice in case comments.

Go to 04.

Question 04

Did the person choose the SUA?

If yes, go to 05.

If no, go to 08.

Appendix References: 16.8.1 SUA Heating Expenses

Question 05

Does the FS group have a regular heating expense?

If yes, enter the total **utility expense** (line I). Go to 07.

If no, go to 06.

Appendix References: 16.7.1 Natural Disaster, 18.3.0

Question 06

Does the FS group have a regular expense for **electricity, cooking fuel or water heating fuel**?

If yes, enter the total utility expense (line I). Go to 07.

If no, go to 08.

Question 07

Does the FS group **share** a residence and utility expenses with anyone else?

If yes, determine the group's share of the shelter/utility expense, according to:

a. Appendix 15.0.0 (if sharing with an ineligible food unit member), or
b. Appendix 16.0.0 (if not sharing with an ineligible food unit member)

If no, Go to 08.

Appendix References: 15.0.0 DEEMING AND INELIGIBLE PERSONS, 16.0.0 DEDUCTIONS & EXPENSES, 16.8.8.1 Shared Residence

Question 08

Does the group share utilities but live in a different residence?

If yes, the FS group that receives the utility bill from the utility company can claim the whole SUA or actual expenses. Prorate the actual expense by the number of contributors.

The FS group that doesn't get the bill only can claim actual expenses. Prorate the actual expense by the number of contributors.

See 15.0.0 if there are ineligible members in the food unit for proration instructions. Go to 09.

If no, go to 09.

Appendix References: 15.0.0 DEEMING AND INELIGIBLE PERSONS, 16.8.8.2 Different Residence

Question 09

Are all members of this group **homeless** and incurring shelter expenses for part (not all) of the month?

If yes, go to 10.

If no, go to 10.

Appendix References: 16.7.2 Homeless Shelter Deduction

Question 10

Did this person claim actual expenses?

If yes, go to 11.

If no, go to 12.

Question 11

Use the reverse side of the FS worksheet to calculate the actual or verified share of actual expenses. Add (a-g) on the back of the FS Worksheet:

$27 if the FS group has a **telephone**

+
Heating and cooking fuel

+
Electricity

+
Water

+
Sewer or waste water treatment

+
Initial **installation charges** for a utility such as phone, gas, electricity (but not one time deposits)

+
Garbage/trash collection fee

Enter the total actual utility expense (line h) on the back of the FS Worksheet.

Go to 12.

Appendix References: 16.8.0 Shelter

Question 12

Add the group's expenses or share of expenses for shelter costs (j-q) on the back of the FS Worksheet:

Countable **utility** expense

+
Rent

+
Mobile home lot rental

+
Mobile home loan payments

+
Home mortgage payments

+
Property taxes (if not included in mortgage payment)

+
Special assessments

+
Insurance on the structure (if not included in mortgage payment)

This result (r) is the group's total utility and shelter expense. Enter the total of these costs in total shelter expense (line 18) of the FS worksheet.

Go to 13.

Appendix References: 16.6.0 Dependent Care, 16.7.0 Shelter

Question 13

Enter 50% of the subtotaled net income (line 17) on line 19.

Go to 14.

Question 14

Is the total shelter expense (line 18) greater than 50% of the net income after deducting other allowable expenses (line 19)?

If yes, allow the group a **shelter deduction**. Go to 15.

If no, go to 16.

Appendix References: 16.6.0 Dependent Care

Question 15

Subtract FS Worksheet, line 19 from the total shelter expense (line 18). Enter the result in shelter deduction (line 20).

Go to 17.

Question 16

Do not allow this FS group any **shelter deduction**. Move the subtotaled net income (line 17), if any, to total net income (line 22). Go to the Income Test Unit

Appendix References: 1.6.0 Elderly & Disabled

Question 17

Is any FS group member elderly or disabled?

If yes, go to 18.

If no, go to 19.

Question 18

Subtract the shelter deduction (line 20) from the subtotaled net income (line 17). Enter the result in total net income (line 22).

Go to the Income Test Unit.

Question 19

The **shelter maximum** is $275.

Go to 20.

Appendix References: 18.3.0

Question 20

Is the group's shelter deduction (line 20) greater than its shelter maximum?

If yes, go to 21.

If no, go to 22

Question 21

Subtract the shelter maximum (line 21) from the subtotaled net income (line 17). Enter the result in total net income (line 22).

Go to the Income Test Unit.

Question 22

Subtract the shelter deduction (line 20) from the subtotaled net income (line 17). Enter the result in total net income (line 22). Go to the Income Test Unit

Preface

Most FS groups must pass a net income test. The net income test is based on net income limits (18.1.0) and FS group size. Categorically eligible FS groups don't have to pass the net income test.

After computing monthly net income, you'll test the group's income against the net income limit. If the group's income exceeds the net income limit, the group is not eligible. If the group's income equals or is less than the limit, the group may be eligible. Use the FS Worksheet (20.2.0) for these computations.

Question 01

Did you determine this FS group to be categorically eligible?

If yes, go to 02.

If no, go to 03.

Question 02

Don't require this FS group to meet the Net Income Test. Enter "NA" (not applicable) on line 23.

Go to the Allotment Unit.

Question 03

For the appropriate FS group size, enter the net income limit (18.1.0) on line 23.

Go to 04.

Question 04

Is the total net income (line 22) more than the net income limit (line 23)?

If yes, this group isn't eligible.

If no, go to the Allotment Unit.

Question 01

Round the total net income (FS Worksheet, line 22) to the nearest whole dollar. If, for example, the amount is $140.49, round down to $140. If the amount is $140.50, round up to $141. Enter the adjusted net income on line 24.

Go to 02.

Question 02

Is the FS group size larger than 10?

If yes, go to 03.

If no, go to 05.

Question 03

To determine the FS group's monthly allotment for a group size larger than 10:

a. Using the adjusted net income (line 24), look up the maximum monthly **FS allotment**.
b. Add $94 for each additional member above 10.
c. Enter the allotment amount on line 25.

Go to 04.

Appendix References: 17.1.1 FS Groups With 1 or 2 Persons, 18.6.0

Question 04

Is the monthly allotment amount (line 25) blank or "0"?

If yes, go to 07.

If no, go to 10.

Question 05

Using the adjusted net income (line 24), look up the monthly **FS allotment**. Enter the allotment amount on line 25.

Go to 06.

Appendix References: 17.1.1 FS Groups With 1 or 2 Persons, 18.6.0

Question 06

Is the monthly allotment amount (line 25) blank or "0"?

If yes, go to 07.

If no, go to 10.

Question 07

Did you determine this FS group to be categorically eligible?

If yes, go to 08.

If no, go to 09.

Question 08

If the FS group is 3 or more persons, it is eligible even though its net income means it will receive no allotment.

Go to 29.

If the FS group is 1 or 2 persons, enter $10 for the monthly allotment amount (line 25). Go to 12

Question 09

This FS group isn't eligible as its net income is too high to permit an allotment.

Go to 29.

Question 10

Is the monthly allotment amount (line 25) $1, $3, or $5?

If yes, go to 11.

If no, go to 12.

Question 11

Due to the way the coupon books are made, we can't pay $1, $3, or $5 allotments.

If the amount is $1, change it to $2.
If the amount is $3, change it to $4.
If the amount is $5, change it to $6.

Go to 12.

Question 12

Is this an application (as opposed to a review)?

If yes, go to 14.

If no, go to 13.

Question 13

The amount on line 25 is the monthly allotment for which the group is eligible this month.

Go to 16.

Question 14

Did you require complete **verification** from this FS group because of its earlier refusal to cooperate in a state or federal QC review?

If yes, go to 15.

If no, go to 16.

Question 15

Did you receive the required verification?

If yes, go to 16.

If no, this group isn't eligible. Go to 29.

Question 16

Is the application date the 1st day of the month?

If yes, Go to 19.

If no, go to 17.

Question 17

Does the FS group contain any migrant or seasonal farm workers?

If yes, go to 18.

If no, go to 20.

Question 18

Has the migrant or seasonal farm worker participated in the FS program in the last 30 days?

If yes, go to 19.

If no, go to 20.

Appendix References: 17.0.0 ALLOTMENT

Question 19

Enter the monthly allotment for the initial allotment (line 26).

Go to 29.

Question 20

To prorate the allotment:

a. Count the number of days in this month from the application date. **Include** the application date and the last day of the month.
b. Divide the number of eligible days by the number of days in the month.
c. Multiply this group's full month's allotment by the result of step b.
d. Round down from 14 through 994.

Enter this amount in initial allotment (line 26).

Go to 21.

Question 21

Is the result in step 20 less than $10?

If yes, go to 22.

If no, go to 23.

Question 22

The case is eligible, but not for the initial month. An initial month is the 1st month that the FS group is eligible following any period of at least 30 days ineligibility.

The case will probably be eligible for benefits in later months because prorating occurs only in the initial month.

Go to 29.

Question 23

Has the FS group been closed less than 30 days?

If yes, go to 24.

If no, go to 29.

Question 24

Is this FS Group subject to a monthly recoupment?

If yes, insert the monthly recoupment amount (line 27). Go to 25.

If no, move the amount from the initial or monthly allotment (line 25 or 26) to the allotment due (line 28). Go to 26.

Question 25

Subtract the monthly recoupment amount (line 26) from the monthly allotment (line 25). Enter the remainder in allotment due (line 28).

Go to 26.

Appendix References: 20.2.0

Question 26

Is this an overpayment or underpayment calculation?

If yes, go to 27.

If no, you have completed processing this group.

Question 27

Enter the actual allotment issued on line 29. Subtract the actual allotment issued from the allotment due (line 28).

Go to 28.

Question 28	Is the result of step 24 positive or negative? If positive, enter the result as an underpayment on line 30. Go to 29. If negative, enter the result as an overpayment on line 30. Go to 29.
Question 29	You have completed processing this group.

Question 01

Is anyone in the FS group a striker?

If yes, review in 1 month. Go to 09.

If no, go to 02.

Appendix References: 21.2.3

Question 02

Is it likely the FS group will have a significant change in group status or income?

If yes, review in 1 or 2 months (agency option). Go to 09.

If no, go to 03.

Appendix References: 21.2.4

Question 03

Does the group consist entirely of **elderly or unemployable** members with stable incomes, such as **SSI** recipients?

If yes, review in 12 months. Go to 09.

If no, the FS group is on a three month re-certification schedule. Go to 04.

Appendix References: 21.2.5

Question 04

Did the FS group have a face to face interview during its last re-certification?

If yes, go to 05.

If no, go to 08.

Appendix References: 21.3.0

Question 05

Is the primary person scheduled in a W-2 employment position for 30 hours or more a week, or in an unsubsidized employment position for 30 hours or more a week, or is there no authorized representative or able-bodied adult in the household who can come to the agency for an interview in person?

If yes, go to 06.

If no, schedule a face to face re-certification interview. Go to 08.

Question 06

Does the FS group contain a person with an Intentional Program Violation?

If yes, schedule a face to face re-certification interview. Go to 08.

If no, go to 07.

Question 07

Has the FS group's certification period expired?

If yes, schedule a face to face re-certification interview. Go to 08.

If no, notify this group that it is eligible for a telephone re-certification interview. Go to 08.

Question 08

Does anyone in the FS group receive **W-2**, or **MA**?

If yes, schedule alternate FS reviews with the other program's reviews. Go to 09.

If no, go to 09.

Appendix References: 21.2.2

Question 09

Is the date you entered the case to CARES **after the 15th** in the month of application?

If yes, add a month to the review date. You are done.

If no, use the time period given. You are done.

Appendix References: 21.2.6

01.01.00
Household

Household: all persons living within or temporarily absent from the same residence (9.0.0).

01.01.01
Primary Person

Primary person: the person around whom the assistance group (AG) is formed. Test other household members in relation to the primary person. There can only be 1 primary person in a determination.

01.01.02
Family Group

The primary person's family group is:

1. This person,
2. This person's spouse,
3. This person's Nonmarital Coparent (NMCP) and,
4. All minors for whom any of the persons in (1) through (3) are providing parental control.

01.02.00
Food Unit

Food unit: 1 or more persons who live in the same household and purchase and prepare food together for home consumption. This group is tested for eligibility together. See 1.4.0. and 1.5.0 for boarder and foster person exceptions. See 1.6.0 and 1.7.0 for elderly and disabled exceptions.

Example. These are examples of a food unit:

1. A person living alone.
2. A group of persons living together who purchase and prepare meals together for home consumption.
3. A person (or group of persons) living with others, but who usually purchases and prepares food for home consumption separately from the others.

Purchase and prepare: People living together who:

a. Share in the cost of purchasing food.
b. Share in the preparation of food.
c. Eat together.

Each person doesn't have to shop, provide money, prepare food, and eat together. Any of those activities is sufficient to include a member in purchasing and preparing food with the group.

People paying for board and persons receiving foster care are not purchasing and preparing with the primary person's food unit.

01.02.01
Relationship Definitions

Parent: a person's natural, step, or adoptive mother or father regardless of age. Parenthood doesn't have to be verified.

Example. Tim and Jane are unmarried and live together. They claim separate FS group status. Jane comes into the office and reports she had a baby. Ask Jane: "Is Tim the father?" If she says "yes", Tim is in the FS group with Jane and the baby.

If she says "no", ask: "Is Tim participating in parental decisions that affect the baby?" If she says "yes", include Tim in Jane and the baby's FS group since he is providing parental control.

If she says "no", Tim is a separate FS group, unless other relationship rules pull him in.

For example, if Tim and Jane hold themselves out to the community as husband and wife, but claim the child isn't Tim's, the spousal relationship rule pulls Tim into Jane's FS group.

Child: a person's natural, step, or adopted son or daughter, regardless of age (for example, 5, 25).

Minor: someone less than 18 years old who is under the parental control of an adult food unit member.

Adult: a person who is 18 years old or older.

Parental Control: an adult providing parental control acts as a parent would toward the minor child. A minor child is considered under parental control if the child is financially or otherwise dependent on a member of the household. Foster care providers do not meet the parental control definition.

Sibling: brother, sister, half-brother, half-sister, stepbrother, stepsister, and siblings related through adoption.

Spouse: Someone who either:

1. Is married to another as defined under Wisconsin law.
2. Lives with another while holding him/herself out to the community with the other as husband and wife. Holding out to the community means representing themselves as married to friends, relatives, neighbors, or trades people.

01.02.02
Relationship Rules

Put the following in the same food unit, even if they don't purchase and prepare meals together.

1. Spouses and spouses.
2. Adult children under the age of 22 who are living with his or her natural, adoptive, or step-parent.
3. Parents and minor children.
4. Adults and minor children under the age of 18 years, over whom they are exercising parental control. See definition of parental control at 1.2.1.

01.02.02.01
Exceptions

The only exceptions to the above relationship rules are for:

1. The elderly and disabled. See 1.6.0 and 1.7.0.
2. A minor, living with his or her own spouse or child and with an adult who is not the minor's parent, is not considered under the control of the adult and can be a separate FS group if they purchase and prepare separately.

Example: For example, a 17-year old living with an aunt. The 17-year old has a 1-year old son. If the 17-year old and the son purchase and prepare separately from the aunt, they can be their own FS group.

01.03.00
FS Group

A FS group is that person or persons who meet the FS nonfinancial eligibility requirements. All members of a FS group must be members of the same food unit. Test them together financially. There are 3 types of FS group: **categorically eligible, mixed categorically eligible, and standard**.

01.03.01
Categorically Eligible

There are 2 types of categorically eligible groups: categorically eligible and mixed categorically eligible.

A categorically eligible FS group consists of only recipients of SSI, GR; and members of a W-2 group in which one member is determined eligible for a W-2 employment position (W-2T, CSJ, Trial Job), or is the parent of an infant 12 weeks of age or younger, or is receiving Caretaker Supplement or Kinship Care payments. State funded W-2 households are categorically eligible.

The FS group and its food unit must meet special criteria to be a categorically eligible FS group. All members of the FS group must:

1. Have been found eligible for GR, SSI, Caretaker Supplement, or Kinship Care but may not have received their first payment, or
2. Be a member of a W-2 group where a member has been determined eligible for a W-2 employment position, but may not have received their first payment, or
3. Receive GR, SSI, W-2 payments, W-2 Trial Job wages, Caretaker Supplement or Kinship Care payments.

Someone eligible for SSI but not receiving payments due to recoupment **is** an SSI recipient.

The FS group isn't categorically eligible if any member of its food unit loses FS eligibility because s/he:

1. Was disqualified for an IPV **or**,
2. Did not cooperate with a FS work registration requirement.

A FS group is not categorically eligible if the person receiving SSI, W-2, Kinship Care, or Caretaker Supplement is an ineligible alien under 4.2.0.

Don't test a categorically eligible FS group against the FS asset, gross income and net income limits. Calculate the group's net income to determine its allotment amount.

Continue to certify a categorically eligible FS group when their allotment is zero.

01.03.02
Mixed Categorically Eligible

Mixed categorically eligible groups consist of some W-2, Caretaker Supplement, Kinship Care, SSI, and GR recipients and some non-W-2, W-2 Case Management Only, non-Caretaker Supplement, non-Kinship Care, non-SSI, or non-GR recipients.

A member of the FS group must:

1. Have been found eligible for W-2 cash payments, or a W-2 employment position, Caretaker Supplement, Kinship Care, GR, or SSI, but may not have received their first payment, or

2. Receive W-2 payments, wages from a W-2 employment position, Caretaker Supplement, Kinship Care, GR, or SSI.

Someone eligible for SSI but not receiving payments due to recoupment **is** an SSI recipient.

An FS group is not categorically eligible if the person receiving SSI, W-2, Kinship Care, or Caretaker Supplement is an ineligible alien under 4.2.0.

Count the assets of a mixed categorically eligible group, except the assets of:

1. SSI, Caretaker Supplement, or Kinship Care recipients,
2. Members of a W-2 group which receives W-2 payments, or
3. Members of a W-2 group which receives wages from a W-2 employment position.

Test the entire mixed categorically eligible group against the gross and net income limits.

Example. A GR recipient lives by himself. He is categorically eligible.

A GR recipient is in a FS group with someone who doesn't get W-2 payments, GR, Kinship Care, Caretaker Supplement, or SSI. His FS group is mixed categorically eligible. Count the GR recipient's assets.

Don't continue to certify a mixed categorically eligible FS group when their allotment is zero.

01.03.03
Standard FS Group

A standard FS group is one that isn't categorically or mixed categorically eligible. The group must pass all regular financial tests. Discontinue a standard FS group when their allotment is zero.

01.03.04
Dual Membership & Duplicate Benefits

A person can't be a member of more than 1 food unit and 1 FS group in the same month except:

1. Residents of shelters for battered women and children (2.5.0).
2. Persons moving to Wisconsin from a state issuing FS on a fiscal month basis. A fiscal month cycle provides benefits from a date in one month to a corresponding date in the next month. Wisconsin issues on a calendar month cycle.

Example. In early October a FS group moves to Wisconsin from Illinois. Illinois issues FS on a fiscal month cycle. The group last got FS in September from Illinois. It was an allotment for the last half of September and the first half of October. The FS group applies in Wisconsin in October. The last day the group was an Illinois FS group was September 30.

01.04.00
Boarder

Boarder: anyone who resides with a household and:

1. Pays reasonable compensation (1.4.4) to the household for lodging and meals and,
2. Is in the food unit from which s/he purchases his/her meals and,
3. The food unit's primary person asks s/he be included.

Boarder group: all the persons in a household who are included in the same payment for meals. This applies whether each person actually makes part of the payment or one or more persons makes the payment on their behalf. Include spouses and minor children of a boarder in the same boarder group, even if they claim they are making separate payments.

01.04.01
Child & Parent

Children and parents living together aren't boarders if the child or parent is paying board to the other.

01.04.02
Spouses

A spouse who lives with a spouse and pays board to his/her spouse is not a boarder (1.2.2).

01.04.03
Siblings

A sibling who lives with a sibling and pays board to that sibling is not a boarder (1.2.1).

01.04.04
Reasonable Compensation

Reasonable compensation means the person pays enough money for meals to qualify as a boarder.

Compute reasonable compensation based on the number of meals a day the person pays for. A boarder group who pays for more than 2 meals a day pays reasonable compensation when they pay an amount that equals or exceeds the Allotment Maximum (Allotment Unit). The Allotment Maximum is based on the size of the boarder group.

A boarder group who pays for 2 meals or less a day pays reasonable compensation when they pay an amount that equals or exceeds 2/3 of the allotment maximum (Allotment Unit) for the size of the boarder group.

01.04.05
Income & Assets

Persons paying less than reasonable compensation are not boarders. Count income and assets of people who are paying less than reasonable compensation. Don't count a boarder's income and assets unless s/he is a food unit member.

01.05.00
Foster Care Recipients

A foster person is a person for whom foster care is being paid. This determination is regardless of the funding source or the age of the foster person. Include a foster care recipient in the food unit only when the primary person asks that the foster care recipient be included. The foster care recipient may belong **only** to the food unit s/he receives the foster care and meals from.

01.05.01
Foster Payment

A foster care provider is the person providing foster care for a foster person. Money paid for the care of a foster care recipient is income of the recipient, not the provider.

01.05.02
Income & Assets

Count the foster care recipient's assets and income only if the foster care recipient is in the food unit.

01.05.03
Adoption Assistance

The primary person may exclude or include the child. If the child is included, count the subsidized adoption payment as income.

01.06.00
Elderly & Disabled

Use the elderly and disabled definitions to determine food unit membership, restaurant eligibility, student status, and medical, shelter, and utility deductions.

01.06.01
Definitions

Elderly member: a household member 60 or older.

Disabled member: a household member who receives disability or blindness benefits from any of these programs: SSA, MA, SSI or SSI MA related, Railroad Retirement Board (RRB), or VA.

If a member is certified as disabled or blind by one of the above agencies, but hasn't received the initial benefit, consider him/her disabled.

Someone receiving retirement benefits from the RRB and found eligible for Medicare by the RRB is disabled. A member who receives GA and meets the SSI program disability criteria is also disabled.

01.06.02
Disabled Veterans

Treat disabled veterans and their disabled spouses and children the same as disabled or blind persons receiving SS disability benefits.

01.07.00
Unable to Purchase & Prepare

Household members and their spouses are a separate food unit even if they're living and eating with others if all 3 of the following are true.

1. They're age 60 or older.
2. They can't purchase and prepare their own meals because of either:
    a. A disability the SSA considers permanent.
    b. Some other permanent physical or mental non disease-related disability.
3. The gross monthly income of the persons with whom the elderly and disabled person(s) (and spouse, if any) resides doesn't exceed 165% of the poverty level (18.2.0) for the number of others in the household.

When computing gross income don't include any income of the elderly and disabled person or his/ her spouse.

01.08.00
Attendant/Housekeeper

An attendant/housekeeper is a person who meets **both** of these conditions. S/he:

1. Lives in the home of the person s/he provides child, medical, or nursing home care, or similar services to.

   If the person receiving care lives in the attendant's home, an attendant/housekeeper situation does not exist.

2. Isn't a parent, child, sibling or spouse of anyone in the same food unit as the person s/he is caring for.

01.09.00
Supplementing Person Adds

When a FS household reports the gain of a new member, make this addition to the household effective the first day of the month in which the person add is reported to the FS agency, whether the report is timely or untimely.

Supplement benefits from the first day of the month the person add is reported. Do not prorate benefits.

Examples: Baby is born June 25, and is reported June 27. Supplement FS from June 1.

Baby is born June 28, and is reported July 6. Supplement FS from July 1.

Uncle Fred joins the FS household June 1, and is reported July 3. Supplement FS from July 1.

For future benefits determine eligibility and benefits prospectively.

01.09.01
Ineligible or Sanctioned Person Adds

If the person is being added to the FS household after completing a sanction period, or regaining eligibility after being determined ineligible, make the addition to the household effective the first of the month the change is reported.

Example: Mary is sanctioned from FS because of failure to cooperate with FSET participation requirements. She reports the birth of her baby on June 5 and requests FS. The baby is supplemented back to June 1. Mary is exempt from FSET as of June 5. Mary is supplemented back to June 1.

Example: Mark, his wife Barbara and their two children are in the FS household. Mark is ineligible for FS due to non-cooperation with child support. On June 29 Mark reports to his ES worker that the Child Support Agency considers him in compliance with CS, and the worker verifies the information through KIDS or the local Child Support Agency. Supplement Mark back to June 1.

Example: Paul is in a FS household but he is an ineligible student. He graduates on August 10th becoming eligible for FS. He reports the information to his ES worker on September 5th. Supplement Paul back to September 1.

02.01.00
Institution

An institution is any establishment that provides care and/or services above and beyond meals and lodging.

A resident of an institution is anyone who receives most of his/her meals as part of the institution's normal operation.

Residents of institutions are ineligible for FS.

Some facilities appear to be institutions but are not. Persons living in these licensed or authorized facilities may be eligible for FS:

1. Shelters for the homeless,
2. Group living arrangements,
3. Drug and alcohol addiction treatment centers,
4. Shelters for battered women and children,
5. Section 202, 221(d)(3), and 236 housing, and all residents of any federally subsidized housing for the elderly.

02.02.00
Shelters for the Homeless

Determine eligibility for a homeless shelter resident as if s/he is living independently. Homeless shelters include transitional and temporary housing.

Transitional housing helps homeless people move to independent living in a reasonable amount of time. It includes housing designed to serve deinstitutionalized homeless individuals, homeless people with mental disabilities, and homeless families with children.

Temporary housing includes housing commonly known as "welfare hotels".

The homeless person may use the stamps to purchase prepared meals from authorized shelters, restaurants, (2.7.0) and grocery stores.

An authorized shelter may not also be the person's authorized representative. See 16.7.0 for instructions on shelter expenses.

02.03.00
Group Living Arrangement

A group living arrangement is a public or private nonprofit residential setting serving no more than 16 residents. It must be certified by the appropriate state or local agencies.

Any blind or disabled (1.6.1) resident of a group living arrangement may be eligible.

The resident may purchase meals from the group living arrangement when FNS authorizes the facility to accept and redeem FS.

Determine the resident's eligibility as a 1 person FS group when the facility applies as an authorized representative. If the resident applies in his/her own behalf, determine the group size according to food unit rules (1.2.0).

Do not allow the standard utility allowance for a resident of a qualified group home. Allow actual costs if they are identified separately.

Residents have no limit on the amount used as a shelter deduction because they are disabled.

Use actual costs to determine their shelter deduction. Don't use the standard deduction.

Allow shelter and medical deductions for room and medical costs that can be separately identified.

Sometimes room, meals, and medical costs can't be identified separately. When this happens, allow a shelter deduction. Use the amount of the payment that exceeds the appropriate allotment as the shelter expense. Don't assume any payment is intended for medical costs if not separately identified.

Example. Bev pays the CBRF $500 and receives shelter and medical care from the CBRF. Separate costs can't be identified. A 1 person allotment is $111. $500 - $111 = $389. The shelter expense is $389.

Apply these procedures whether the resident makes his/her own payments or has a protective payee making payments from the resident's funds.

02.04.00
Drug & Alcohol Treatment Centers

Private, nonprofit centers providing treatment or drug and alcohol addiction are not institutions.

Publicly operated mental health centers certified as drug and alcohol addiction treatment and rehabilitation programs aren't institutions. DCS/BCP certifies these facilities.

An authorized representative must apply for these residents. The center employs and appoints the authorized representative. S/he receives and uses FS for the resident. S/he purchases food for meals, or meals prepared or served by the center, or both.

Determine the eligibility of a resident of a drug and alcohol addiction treatment center as a one person FS group, unless the resident is a parent whose child(ren) resides with them at the center. Include any child(ren) residing with their parent(s) at the center, whether or not the center provides the majority of the child(ren)'s meals, when determining eligibility.

02.05.00
Shelters for Battered Women & Children

A shelter for battered women and children is a public or private nonprofit residential facility serving battered women and their children. If a facility serves persons other than battered women and children, a portion of the facility must be set aside to serve only battered women and children on a long-term basis.

Shelters for battered women and children may act as the authorized representative for FS applicants and recipients. Document the basis that the facility is eligible to participate. Any shelter for battered women and children authorized by FNS to redeem food stamps at wholesale stores is eligible.

02.05.01
Eligibility

Determine eligibility for shelter residents using only their income and assets. Include only expenses they are responsible for. Count room payments to the shelter in the food unit's shelter expenses.

02.05.02
Dual Food Units

A shelter resident may be a member of a household food unit before entering the shelter. No one may be a member of 2 food units simultaneously. A resident of a shelter for battered women and children may be eligible as a food unit in the shelter. This occurs when the earlier food unit contains the person who allegedly abused the resident.

They are food units separate from:

1. Other residents of the shelter and
2. Any food unit to which they belonged at the time they entered the shelter.

An asset is unavailable to a resident when:

1. The resident and member of the former household jointly own the asset **and**
2. Access to it is dependent on the agreement of the member of the former household.

Review the former group's eligibility and allotment. Re-test the former group and show the change in FS group composition. See IMM I,B.

02.06.00
Section 202 & 236 Housing

Exempt residents of any federally subsidized housing for the elderly and disabled from the "residents of institutions" policy (2.1.0).

HUD funds some housing units primarily for the aged and disabled. This housing is called Section 202, Section 221(d)(3), and Section 236 housing. These housing units provide meals if the resident can't get them without help. A list of 202/236 housing follows.

Housing Project Name
Project Location
Owner's Name & Address

Russell Manor
Ripon
Russell Manor Inc. Ripon, WI 54971

Northland Village
Marinette
Northland Lutheran Services for Elderly,
831 Pine Rd.
Marinette, WI 54143

Morris Manor
Marshfield
Glen Aufderhar
814 N. 14th St.
Marshfield WI 54449
Fireside Apartments
Whiting
Whiting, WI 54481

Chula Vista Apartments
Wisconsin Rapids
Wisconsin Rapids, WI 54494

Simeanna
Oshkosh
Simeanna III
225 Eagle St.
Oshkosh, WI 54901

Mueller Apartments
Watertown

Moravian Church Western District
PO Box 7574
Madison WI 53707

Colonial View Apartments
Sun Prairie
The Colonial Club Inc.
PO Box 134
Sun Prairie, WI 53590

02.07.00
Restaurants

Elderly, disabled and homeless people may use FS at authorized restaurants. This includes public and private nonprofit meal providers such as soup kitchens and shelters.

Restaurants must obtain a state contract from the Bureau of Management and Operations (BMO). BMO contracts with those restaurants who qualify.

The Bureau of Field Operations is the contact agency for authorized restaurants that have signed the contract.

Elderly, disabled and homeless people will receive a special FS ID card (IMM IIA). They are coded with the letters "CD". These cards carry an expiration date that is the same as the next scheduled review date. Clients must present the ID card to the restaurant. This establishes the right to use FS for meals purchased from the restaurant.

03.01.00
Description

The Great Lakes Inter-Tribal Council and the Menominee Tribe administer the program. Eleven tribes distribute commodities.

A person may receive commodities from one of these tribes if s/he is eligible and:

1. Is an Indian living in one of the counties served by that tribe (3.3.0), or
2. Lives within the geographical boundary of the tribe's reservation. This applies whether or not s/he is an Indian.

03.01.01
Denial to FS IPV

Deny Food Distribution benefits to persons ineligible for FS because of an IPV. DES sends a list of IPV disqualified persons to the Great Lakes Inter-Tribal Council and the Menominee Tribe monthly.

03.02.00
Choice of Programs

Eligible persons must choose either the FS or commodities program. They can't participate in both. They may change their program choice, but must tell their current agency of the desired change.

Deny FS to any FS group when a member receives commodities from a Food Distribution program.

03.02.01
Preventing Dual Participation

Inform applicants that participation in both programs is prohibited.

DES sends a CARES generated list of Indians certified for FS to the Great Lakes Inter-Tribal Council and the Menominee Tribe.

Don't verify if an applicant tells you s/he didn't receive commodities in the current or preceding month, and won't receive them next month. Only verify if the report is questionable.

If the report is questionable or s/he received commodities in one of those months:

1. Determine the month(s) s/he received, or will receive commodities.
2. Determine which tribe issued the commodities.
3. Contact the tribal Food Distribution Program staff to determine when the commodities were or will be received.
4. Inform the tribal staff of the FS request, the likely disposition of the application, and first FS issuance date.
5. Remind the FS group that it is illegal to receive both FS and Food Distribution benefits in the same month.
6. Document your performance of these 5 steps in the case record.

03.02.02
Switching Programs

When someone switches between programs, don't issue the initial benefit until the other program's benefits stop.

03.02.02.01
Deny FS

Deny FS if an applicant has already received commodities in the application month. If it's too late to stop commodities participation for the month after application, deny the FS application.

03.02.02.02
FS Discontinuance Date

When a FS recipient wishes to begin participating in the Food Distribution Program:

1. **Before** adverse action, drop the FS group from FS at the end of the month.
2. **After** adverse action, drop the FS group from FS at the end of the next month.

03.03.00
Tribal Agencies & Counties Served

Tribal Agency	Address	Counties Served
Bad River	PO Box 28 Odanah, WI 54861	Ashland, Iron
Forest County Potawatomi	PO Box 346 Crandon, WI 54520	Forest Marinette
Lac Courte Oreilles	Rt 2, Hayward, WI 54943	Price, Sawyer, Rusk, Washburn
Lac du Flambeau	PO Box 305, Lac du Flambeau 54538	Iron, Vilas
Menominee Tribe	PO BOX 397 Keshena, WI 54135	Menominee
Oneida	PO Box 124 Oneida, WI 54155	Brown, Outagamie
Red Cliff	Red Cliff Tribal Building Bayfield, WI 54814	BayField, Douglas
St. Croix	Star Rd. Webster, WI 54893	Barron, Polk, Burnett, Washburn
Sokaogon Chippewa, Community, Mole Lake	Rt. 1 Crandon, WI 54520	Forest, Langlade, Oneida
Stockbridge-Munsee	Route 1 Bowler, WI 54410	Shawano
Winnebago/Black River Falls	Rt. 5 Black River Falls	Adams, Columbia, Clark, Crawfo Dane, Eau Claire, Jackson, June LaCrosse, Marathon, Monroe, Portage, Sauk, Shawano, Trempeleau, Wood

04.01.00
Citizens

To meet the citizenship and alien requirement for FS, a person must be one of the following:

1. A citizen of the US. A US citizen is anyone:
    a. Who was born in the US. Geographically, the US is the continental US, Alaska, Hawaii, Puerto Rico, US Virgin Islands, and Northern Mariana Islands, including Guam.
    b. Who is a naturalized citizen of the US.
2. Born to a US citizen while outside of the US.
3. An alien who meets the criteria in 4.2.0.

04.01.01
Verification

Verify citizenship only when the person or group's statements about his/her citizenship are questionable. A claim of citizenship is questionable when:

1. The claim is inconsistent with statements made by the applicant.
2. The claim is inconsistent with information on the application or previous applications.
3. The claim is inconsistent with information received from another source.
4. The person doesn't have an SSN.

Don't discriminate on the basis of religion, race, ethnic background or national origin when deciding if a claim is questionable. Don't target groups such as migrant farm workers or American Indians for verification. A surname, accent or appearance that seems foreign isn't enough reason to question citizenship.

Exclude anyone whose citizenship is questionable from the FS group. Do this until citizenship is proved. See 15.3.0.

See the IMM, Chapter I for verification methods, documents, and sources.

04.02.00
Aliens

A legal alien is not eligible for FS until s/he becomes a citizen, unless they meet one of the criteria listed below. See also 4.3.0, State Option Food Stamp Program.

Only use the Battered Alien code on ANAR (16), if no other code fits. For example, if the battered person is a refugee, code the person as a refugee not as a battered alien.

Aliens may change their category of eligibility over time.

Example: Elena and Yuri Dovstoyefsky enter the U.S. as refugees and are eligible for the first seven years, even if their status changes to legal permanent resident. At the end of seven years their eligibility as refugees ends, but

Eligibility information is set out in a chart in the IMM, Chap. I, Part C.

SAVE procedures for determining the status of an alien applicant are contained in IMM, Chap. 1, Part D. The number for contacting SAVE is 1-800-365-7620.

04.02.01
Seven Year Eligibility

Legal aliens in the following categories will be eligible for 7 years from the date of entry or the date s/he is granted a particular status:

a. Refugees admitted under section 207 of the Immigration and Naturalization Act (INA).
b. Aliens granted asylum admitted under section 208 of the INA.
c. Aliens whose deportation is withheld under section 243(h) or 241(b)(3) of the INA.
d. Cuban and Haitian entrants, as defined in section 501(e) of the Refugee Education Assistance Act of 1980.
e. Amerasian immigrants who are admitted under section 584 of the Foreign Operations, Export Financing and Related Programs Appropriations Act.

The CARES codes for the above groups can be located on Table TCTZ or in the IMM at Chapter I, Part C.

04.02.02
Work Quarter Eligibility

Legal permanent resident aliens admitted under the INA, who have worked for 40 qualifying quarters are eligible. There is no time limit on this category of eligibility.

A qualifying quarter includes:

a. one worked by a parent of an alien before the alien reached his/her eighteenth birthday, including those quarters worked before the alien was born;

b. one worked by a spouse of an alien during their marriage if the alien remains married to the spouse or the spouse is deceased.

Each person in the applying household is considered an applicant. Therefore, each spouse can claim the quarters of the other spouse, and the children can claim the quarters worked by their parents.

Example: Joseph and Mary and their two minor children apply for benefits. They are all immigrants, and they have been in the U.S. for five years. Joseph and Mary each claim 20 quarters of work. The entire household can be certified

Beginning 1/1/97, a quarter in which the alien received Federal means-tested assistance is not counted as a qualifying quarter.

Count both qualifying quarters of work covered by Title II of the Social Security Act,

04.02.02.01
Disclosure of Work Quarter Information

The county/tribal agency may request information from the SSA about work history for non-covered employment as well as covered employment.

If you are unable to determine work quarters through the SSA automated system, you may ac

04.02.03
Military Connection Eligibility

Aliens who are veterans of, or on active military duty in the U.S. Armed Forces, <u>or who have a military connection, defined as</u> the spouse, surviving spouse, or unmarried dependent child(ren) of these veterans and active duty personnel are eligible if they ALSO:

a. Are refugees admitted under section 207 of the Immigration and Naturalization Act (INA), or
b. Are aliens granted asylum admitted under section 208 of the INA, or
c. Are aliens whose deportation is withheld under section 243(h) or 241(b)(3) of the INA, or
d. Are Cuban and Haitian entrants, as defined in section 501(e) of the Refugee Education Assistance Act of 1980, or
e. Are legal permanent resident aliens, or
f. Have been granted conditional entry pursuant to section 203(a)(7) of the INA as in effect prior to April 1, 1980, or
g. Are paroled under section 212(d)(5) of the INA for a period of at least one year.

Persons with a military connection are not subject to the 7 year limit on eligibility applied to persons who are not veterans, on active military duty, or the spouse or unmarried dependent child of a veteran or active duty personnel. The veteran or active duty person can be either an alien or a U.S. citizen.

A veteran is a person who:

a. served for 24 months in the U.S. armed forces, or
b. served for the period for which the person was called to active duty in the U.S. armed forces, or
c. died during active duty in the U.S. armed forces, or
d. served in the Philippine Commonwealth Army or as a Philippine Scout during WW II, as described in title 107, 38 U.S.C., and
e. was honorably discharged.

An unmarried surviving spouse of a veteran or active duty person is defined as:

a. a spouse who was married to the deceased veteran for at least one year, or
b. the spouse was married to the deceased veteran before the end of a 15 year time span following the end of the period of military service, or
c. the spouse was married for any period and a child was born of the marriage or was born before the marriage.

04.02.03.01
Battered Alien Eligibility

An alien who is the spouse or dependent unmarried child of a U.S. citizen or alien who is a veteran of, or on active military duty in, the U.S. Armed Services, and who has been battered or subjected to extreme cruelty under the following criteria is eligible.

1. Aliens (adults or children) who have been battered or subjected to extreme cruelty in the U.S. by a spouse or a parent, or by a member of the household of the spouse or parent who has failed to intervene to stop the battery or extreme cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.
2. Aliens whose child or children have been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the alien, or a member of the alien's household, and the other parent failed to intervene in the battery or extreme cruelty, and the alien did not actively participate in the battery or cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.
3. Alien children whose parent has been battered or subjected to extreme cruelty in the U.S. by the parent's spouse, or by a member of the spouse's family residing in the same household as the victim parent if the spouse consents to or accepts such battery or cruelty, but only if there is a substantial connection between the battery or extreme cruelty and the need for the public benefit sought.

Do not apply this section if the person responsible for the battery or extreme cruelty continues to reside in the same household or FS group as the person subjected to the battery or cruelty.

04.02.04
Alien Children

An alien child who was lawfully residing in the United States on August 22, 1996, and who is now under 18 years of age is eligible for FS if his/her alien status is one of the following:

a. Is a refugee admitted under section 207 of the Immigration and Naturalization Act (INA), or
b. Is an alien granted asylum admitted under section 208 of the INA, or
c. Is an alien whose deportation is withheld under section 243(h) or 241(b)(3) of the INA, or
d. Is a Cuban or Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980, or
e. Is a legal permanent resident alien, or
f. Has been granted conditional entry pursuant to section 203(a)(7) of the INA as in effect prior to April 1, 1980, or
g. Is paroled under section 212(d)(5) of the INA for a period of at least one year, or
h. Is a battered alien or parent or child of a battered alien as defined in 4.2.3.1. FS eligibility in this category ends on the child's 18th birthday.

FS eligibility in this category ends on the child's 18th birthday.

04.02.05
Elderly Aliens

An alien who was lawfully residing in the US on August 22, 1996 and who was 65 years of age or older at that time, is eligible for FS if his/her alien status is one of the following:

a. Is a refugee admitted under section 207 of the Immigration and Naturalization Act (INA), or
b. Is an alien granted asylum admitted under section 208 of the INA, or
c. Is an alien whose deportation is withheld under section 243(h) or 241(b)(3) of the INA, or
d. Is a Cuban or Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980, or
e. Is a legal permanent resident alien, or
f. Has been granted conditional entry pursuant to section 203(a)(7) of the INA as in effect prior to April 1, 1980, or
g. Is paroled under section 212(d)(5) of the INA for a period of at least one year, or
h. Is a battered alien or parent or child of a battered alien as defined in 4.2.3.1.

There is no time limit for FS eligibility in this category.

04.02.06
Disabled & Blind Aliens

An alien who was lawfully residing in the US on August 22, 1996, and is blind or disabled as defined in 1.6.1 and 1.6.2, is eligible for FS if his/her alien status is one of the following:

a. Is a refugee admitted under section 207 of the Immigration and Naturalization Act (INA), or
b. Is an alien granted asylum admitted under section 208 of the INA, or
c. Is an alien whose deportation is withheld under section 243(h) or 241(b)(3) of the INA, or
d. Is a Cuban or Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980, or
e. Is a legal permanent resident alien, or
f. Has been granted conditional entry pursuant to section 203(a)(7) of the INA as in effect prior to April 1, 1980, or
g. Is paroled under section 212(d)(5) of the INA for a period of at least one year, or
h. Is a battered alien or parent or child of a battered alien as defined in 4.2.3.1.

There is no time limit for FS eligibility in this category.

04.02.07
American Indians

Indians who are members of the following categories of tribes are eligible for FS:

a. American Indians born in Canada to which section 289 of the INA apply, or
b. Members of an Indian tribe as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act.

There is no time limit for FS eligibility in this category.

04.02.08
Hmong or Highland Laotian

An alien adult, born before May 8, 1975, who is lawfully residing in the US and was a member of a Hmong or Highland Laotian tribe at the time that the tribe rendered assistance to US personnel by taking part in a military or rescue operation during the Vietnam Era. The Vietnam Era begins August 5, 1964 and ends May 7, 1975.

Their spouses, unremarried surviving spouses (see definition 4.2.3), and dependent children (children born after May 7, 1975 and less than 18 years old), may also be eligible.

Many of these individuals will have been admitted as refugees.

There is no time limit on FS eligibility for this category.

04.03.00
State Option Food Stamp Program (SOFSP)

Effective August 1, 1998, Wisconsin will issue benefits to aliens who were made ineligible for FS under sections 402 and 403 of the Personal Responsibility and Work Opportunity Act (PRWORA). See, 4.2.0 .

On November 1, 1998, some aliens receiving FS under the SOFSP will move to the federal FS program. As long as status codes, dates of entry, and birth dates are entered correctly workers do not need to take any action to effect this transfer. Apply the 5 year limitation before 11/1/98, and the 7 year limitation on or after 11/1/98.

The following aliens will continue to be eligible for the SOFSP:

1. Lawfully admitted for permanent residence but who do not meet military or work quarter requirements.
2. Amerasians who entered more than 5 or 7 years ago and do not meet military or work quarter requirements.
3. Conditional entrants under Sec. 203(a)(7) of the INA who do not meet military or work quarter requirements.
4. Refugees under Sec. 207 of the INA who entered more than 5 or 7 years ago and do not meet military or work quarter requirements.
5. Asylees under Section 208 or the INA who entered more than 5 or 7 years ago and do not meet military or work quarter requirements.
6. Parolees under Sec. 212(d)(5) of the INA who do not meet military or work quarter requirements.
7. Cuban or Haitian entrants under Section 245A of the INA who entered more than 5 or 7 years ago and do not meet military or work quarter requirements.
8. Entrants whose deportation was withheld pursuant to Section 243(h), or 241(b)(3) of the INA, whose date of deportation was more than 5 or 7 years ago, who do not meet military or work quarter requirements.
9. Battered aliens who do not meet military or work quarter requirements.

CARES will be programmed to make these individuals eligible. It will not be apparent on CARES whether the alien is receiving federal or state funded FS.

Do not deem from aliens who are receiving State Option FS to the FS group.

Qualified aliens who receive FS through the SOFSP will be mandatory for FSET unless exempt, and should be sanctioned if not complying with work requirements.

Eligible aliens receiving State FS are entitled to the same fair hearing rights as federal FS recipients.

04.04.00
Ineligible & Illegal Aliens

Ineligible aliens include:

1. Visitors and tourists.
2. Diplomats and others in foreign service.
3. Persons illegally in the US.
4. Students with student visas.
5. Aliens whose status is questionable or unverified.
6. Aliens who have applied for eligible immigration status but not been approved (except for battered spouses and children with a military connection as outlined above).

Failure to verify alien status or a suspicion that an applicant may be here illegally isn't enough reason for a report to INS. Failure to verify alien status means the person is ineligible, not necessarily illegal.

04.05.00
Immigration & Naturalization Service

Inform the INS office when you determine that a member of a FS group is ineligible because s/he is present in the US in violation of the INA.

US Immigration & Naturalization Service
Federal Building
517 East Wisconsin Avenue
Milwaukee, Wisconsin 53202
Phone: (414) 297-3565.

05.02.00
Expedited Service

FS groups that apply on or before the 15th of the month and are eligible for expedited issuance must receive the initial allotment within 7 calendar days of application (IMM IA, 15.0.0).

They must furnish a SSN or apply for one for each person before benefits can be issued. They do not have to provide verification of SSNs in those 7 calendar days, but they must furnish a SSN for each participating member or apply for one before the second month's benefits can be issued.

All FS groups that apply **after** the 15th of the month and who are eligible for expedited issuance must receive the prorated initial allotment and next month's allotment within 7 calendar days from application.

They must furnish a SSN or apply for one for each person before benefits can be issued. They do not have to provide verification of SSNs in those 7 calendar days, but they must furnish a SSN for each participating member or apply for one before the third month's benefits can be issued.

05.03.00
Failure To Comply

If a person required to provide a SSN refuses to provide it, s/he is ineligible. Any group member who does not provide a SSN is ineligible. The only exception is if there is good cause (5.3.2) for not providing it. Disqualify only the person without the SSN, not the entire FS group.

05.03.01
Newborn Members

If the group cannot provide proof that an application for an SSN for a newborn member has been applied for, give the group until the next re-certification or six months from the birth date of the newborn, whichever is later, to provide an SSN or proof of application for an SSN.

If the group still fails to provide the required number or proof of application, review the good cause exception (5.3.2).

05.03.02
Good Cause

Use information from the FS group member, the SSA, your agency and any other sources to determine good cause. If the member has applied for a SSN, s/he satisfies the requirement.

Apply good cause if the client makes every effort to supply the information timely.

If s/he can show good cause, allow participation on a month by month basis.

05.03.02.01
Religious Exception

If a FS applicant refuses to provide an SSN for him or herself and/or any other household member based on a sincere religious objection, allow him or her and all otherwise eligible members of the FS group to received FS. Enter "Y" to "social security cooperation " on ANDC.

You may check with the SSA or query whether a SSN already exists for the person, and use any existing SSN for verification and matching purposes without further notice to the FS household member. Enter the SSN on ANID.

Restore benefits to any such groups or members back to one year prior to the date the group or person was denied benefits, or one year prior to the date the agency learned of this policy whichever is later in time.

06.01.00
Disqualification

A person commits an Intentional Program Violation (IPV) when s/he intentionally does one of the following to become eligible for, increase, or misuse FS benefits:

1. Makes a false or misleading statement; or
2. Misrepresents, conceals or withholds facts.

   If the person misrepresents information in order to receive multiple FS benefits simultaneously, see 6.1.3.
3. Uses food stamps to purchase drugs or items for which they are not intended.

Administrative hearings or state or federal convictions determine disqualification (IMM, II A, D).

06.01.02
Disqualification

Anyone who signs a waiver of the administrative Agreement hearing or a pre-trial disqualification agreement admits to IPV. Apply the same sanction periods listed above.

06.01.03
Disqualification For Receipt of Multiple FS Benefits

A person who makes a fraudulent statement about his or her identity or place of residence in order to receive multiple FS benefits simultaneously shall be ineligible for a period of 10 years.

Before disqualification:

1. A finding of fraud must be made by a state agency, **AND**
2. A conviction of fraud must be entered by a state or federal court, and
3. A disqualification imposed by a state or federal court.

Do not use an administrative disqualification hearing decision, or a Pre-Trial Diversion Agreement as a basis for imposing this penalty. A caseworker cannot impose the 10 year disqualification.

07.01.00
Institution of Higher Education

An institution of higher education requires a HS diploma or equivalency certificate for enrollment, or is a regular college or university degree program that does not require a high school degree as a condition of enrollment. It doesn't include any adult basic education program. Examples are business, vocational, trade and technical schools, colleges and universities.

07.01.01
Enrollment

Anyone, age 18-49, enrolled half time or more, in an institution of higher education is ineligible, unless s/he meets one of the following criteria.

1. Employed at least 20 hours a week at any wage.
2. Self employed at least 20 hours a week and earning at least minimum wage for 20 hours a week ($5.15 x 20 = $103 a week).
3. Both employed and self-employed at least 20 hours a week and earning at least minimum wage for 20 hours a week (5.15 x 20 = $103 a week).
4. Participating in a Title IV or state work study program.
    a. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his assigned work.
    b. The exemption does not cover school breaks of longer than one month, unless the student is participating in work study during the break.
5. Responsible for more than 1/2 time care of a dependent household member under age 6. If 2 people exercising parental control are in the food unit, allow student status to only 1 person per child.
6. Responsible for the care of a dependent household member age 6-12 if the agency determines adequate child care is unavailable. If 2 people exercising parental control are in the food unit, allow student status to only 1 person per child.
7. Receiving a W-2 cash payment, or working in a W-2 Trial Job.
8. Assigned to or placed in an institution of higher learning by JTPA.
9. Enrolled in JOBS, or a W-2 employment position.

10. Physically or mentally unfit for gainful employment. Verify the claim if it's not clear. Receipt of temporary or permanent disability benefits, a statement from a physician, or certified psychologist is appropriate verification.

If there is no natural or adoptive parent or stepparent living with the child, another full-time student living with the child may qualify as an eligible student under this provision if the student has parental control of the child and does not live with his or her spouse.

A student is enrolled as of the 1st day of the school term through normal scheduled class periods, vacation, and recess unless s/he:

1. Graduates.
2. Is suspended, expelled, or drops out.
3. Doesn't intend to register for the next school term (excluding summer school).

07.02.00
Work Registration

See 8.1.0 .

07.03.00
Student Aid

Student aid is available only to students enrolled at least half-time in one of these:

1. School for the handicapped
2. Vocational education program
3. HS
4. GED program
5. Institution of post secondary education

An institution of post secondary education is an educational institution which normally requires a HS diploma or equivalency certificate for enrollment. It admits persons beyond the age of compulsory school attendance or provides training leading to gainful employment.

Count the following as unearned income. Use the student's award letter to determine the income from these sources:

1. Educational loans where repayment is deferred (if payments on the loan must begin within 60 days after the loan is received, it is not a deferred repayment loan),
2. Grants,
3. Scholarships,
4. Fellowships,
5. Veterans education benefits.

See 7.5.4 for Nonfederal work study instructions. Disregard Title IV, federal work study, and BIA aid (7.3.1).

07.03.01
Disregarded Aid

Disregard all Title IV income before you figure any deductions.

07.03.01.01
Title IV

Title IV income sources are:

1. Basic Educational Opportunity Grants (BEOG or PELL grants)
2. Presidential Access Scholarships (Super PELL grants)
3. Supplemental Educational Opportunity Grants (SEOG)
4. State Student Incentives Grants (SSIG)
5. Federal Direct Student Loan Program (Formerly GSL & FFELP)
    a. Supplemental loans for students
    b. Robert T. Stafford Student Loans
    c. PLUS loans for parents
    d. Federal Consolidated Loan Program
6. Perkins Loans (formerly NDSL)
7. Federal Work Study Funds.
8. TRIO Grants (disadvantaged youth grants)
    a. Upward Bound
    b. Student Support Services
    c. Robert E. McNair Post-Baccalaureate Achievement
9. Robert C. Byrd Honors Scholarship Program
10. College Assistance Migrant Program (CAMP)
11. High School Equivalency Program (HEP)
12. National Early Intervention Scholarship and Partnership Program

07.03.01.02
Carl Perkins Vocational Aid

1. Indian Vocational Education Program
2. Native Hawaiian Vocational Education Program
3. State Vocational & Applied Technology Programs which include:
    a. State Program & State Leadership Activities
    b. Displaced Homemakers, Single Parent and Single Pregnant Women programs
    c. Sex Equity Program
    d. Programs for Criminal Offenders
    e. Secondary School Vocational Education Program
    f. Postsecondary & Adult Vocational Education Program
    g. State Assistance for Vocational Education Support Programs By Community Based Organizations
    h. Consumer & Homemaking Education Program
    i. Comprehensive Career Guidance & Counseling Program
    j. Business-Labor-Education Partnership for Training Program

4. National Tech-Prep Education Program
5. State administered Tech-Prep Education Program
6. Supplementary State Grants for Facilities & Equipment & Other Program Improvement Activities
7. Community Education Employment Centers Program
8. Vocational Education Lighthouse Schools Program
9. Tribally Controlled Postsecondary Vocational Institutions Program
10. Vocational Education Research Program
11. National Network for Curriculum Coordination in Vocational and Technical Education
12. National Center or Centers for Research in Vocational Education
13. Materials Development in Telecommunications Programs
14. Demonstration Centers for the Training of Dislocated Workers Program
15. Vocational Education Training and Study Grants Program
16. Vocational Education Leadership Development Awards Program
17. Vocational Educator Training Fellowships Program
18. Internships for Gifted and Talented Vocational Education Students Program
19. Business and Education Standards Program
20. Blue Ribbon Vocational Education Program
21. Educational Programs for Federal Correctional Institutions
22. Vocational Education Dropout Prevention Program
23. Model Programs of Regional Training For Skilled Trades
24. Demonstration Projects for the Integration of Vocational and Academic Learning Program
25. Cooperative Demonstration Programs
26. Bilingual Vocational Training Program
27. Bilingual Vocational Instructor Training Program
28. Bilingual Materials, Methods, and Techniques Program

07.03.01.03
BIA Aid

Disregard all educational and training aid from the Bureau of Indian Affairs (BIA) Student Assistance Programs before you figure deductions. Programs include but are not limited to:

1. Higher Education Program (Scholarship Grant Program)
2. Adult Education Program
3. Employment Assistance Program
4. Indian Child and Family Programs
5. Tribal Development Student Assistance Revolving Loan Program

07.04.00
Prorate Student Aid

Prorate each student aid disbursement: (1) over the semester or school term it is intended for, (2) when it is received or is expected to be received. Student aid is expected when the student aid office notifies the student that aid has arrived and can be picked up on a set date. The student has 10 days to report its receipt to the IM agency.

Example. The student aid office phones on Oct. 8 and tells Joe his aid is in and can be picked up on the 10th. So, on the 8th, the money can be expected to be received on the 10th.

Use receipts or affidavits from the financial aids office to verify the receipt date. The student gets these when s/he picks up the aid.

A written notice that states the amount of aid, but not when the student can pick it up, is not sufficient to determine when the aid is expected.

Count any portion of a month covered by an aid as a full month when prorating. If school ends on June 3rd, count June as a full month.

07.04.01
Late Disbursement

If the disbursement is received late, do not budget the aid as income. Count the late payment as an asset (12.4.1). For example, first semester aids don't arrive until second semester so are counted as an asset.

07.05.00
Budget Student Aid

Budget student aid according to prospective budgeting procedures (IMPM, 06). The 1st income month is the 1st month these 4 conditions are met:

1. The student has received a notice saying that s/he has been awarded student aid.
2. The student has, if required, signed an award notice accepting student aid.
3. It is reasonably expected that student aid will be received in the current month.
4. The school term began that month or is currently in progress.

Example. A $3,600 grant is awarded for the school year, September - May. $1,800 is disbursed in October for the fall and in January for the spring semester. Fred can't anticipate receiving the 2nd disbursement just because he received the 1st one.

Since $1,800 is received in October for the fall semester, and in January for the spring semester, the 1st payment is intended to cover September-December. The prorated amount budgeted for fall semester is $450 a month ($1,800) 4 months). It is budgeted beginning in October.

The 2nd payment is intended to cover January-May. The prorated amount budgeted for spring semester is $360 a month ($1,800) 5 months). It is budgeted beginning in January.

If the period for which student aid is provided includes both complete and partial months, the student may choose averaging the aid over the:

1. Entire period it is intended to cover, or
2. Months not covered by the prior period. Document the student's choice.

Example. Pam receives aid for a trimester. She wants the aid averaged so every month in the trimester is included. This causes an overlap of periods for which aid is intended because trimesters or quarters end and begin in the same month (such as, 1-17 through 3-9 and 3-15 through 5-9).

Pam must choose to have the aid averaged over the entire period it is intended to cover (March-May) or just over the months not covered by the prior period (April-May).

Don't go back and recover benefits if changes were reported timely.

Example. A grant is received in October and reported on October 12th. Prorate the student's income over the period it was intended to cover (September-December), and don't recover any overpayment for September and October.

Budget any changes prospectively.

Document the reason and calculation for all changes in the case record to avoid errors.

07.05.01
Vendor Payments

Disregard educational vendor payments paid to a 3rd party for allowable educational expenses (7.6.4) as income. Even though the payment amount is disregarded, exclude the entire allowable educational expense from Non-Title IV income (7.6.1).

Example. Steve's tuition is $1,200. DVR paid $500 of the tuition directly to the school. Disregard the $500 vendor payment as income and exclude the entire $1,200 tuition expense from Non-Title IV income.

07.05.02
Reimbursements

See 12.2.7 .

07.05.03
School Dropouts

Treat student aid of dropouts according to the status of the repayment debt. Begin with the month of dropout.

1. If repayment of the aid continues to be deferred, continue to budget the aid as income prorated over the period it was originally intended to cover.
2. If there is no repayment obligation, continue to budget the aid as income prorated over the period it was originally intended to cover. Grants are an example of this type of aid.
3. If repayment ceases to be deferred, stop treating the aid as income. Count any remaining amount as an asset. Do this even if the former student hasn't begun repayment.

07.05.04
Work Study

Disregard Federal Work Study income. All federal work study is funded through Title IV. Any other work study income is earned income. If the 1st date of receipt and amount are unknown, don't budget it until it is received or expected to be received. It is expected to be received when the student knows the date of his/her first paycheck.

Total budgetable work study income is:

Non Title IV Work Study Income

- Allowable Expenses

= Budgetable Work Study Income

Prorate the income over the semester. Budget the income starting with the month the first work study check is received or expected. Income for a month may be different than the amount budgeted because it is averaged over the entire semester.

Example. Joe documents that he will earn $600 from nonfederal work study during the fall semester. He will receive his first paycheck on Nov. 12. He has a $250 balance for miscellaneous expenses after all exclusions.

Subtract the expenses from his work study income to get his net budgetable work study income: $600 - 250 = $350. Prorate the $350 over the semester, Sept. - Dec. ($350) 4 = $87.50). $87.50 is his monthly earned income. Budget $87.50 beginning in November, the 1st month the income is expected to be received.

Use a new Student Aid & Expenses Worksheet (20.12.0) when a student reports a change in the work study schedule, causing a change in work study income. Budget the new average forward.

Do not change work study income without documentation from its source, such as the school or other grantor, showing that total earnings for the semester will be different. If the student can earn an unlimited amount from work study, budget the income as it is received.

Example. On October 6 Liz documents an increase from $600 to $800 for the fall semester. Recompute budgetable work study income by subtracting expenses from the new amount: $800 -250 = $550. Prorating now yields $137.50 of monthly work study income ($550) 4 =$137.50).

Budget the new amount in October to effect the November benefits. Don't recover from any previous month.

07.05.05
Internships & Assistantships

Count wages from internships and assistantships as earned income, if the wages are not part of work study or other student aid.

07.06.00
Student Expenses

Countable student aid is based on amounts excluded and deducted from student aid.

07.06.01
Exclusions & Deductions

Any exclusion is an expense that is subtracted from student aid for the purpose of calculating net student income.

Deductions for dependent care, shelter, and excess medical expenses are subtracted **after** subtracting income exclusions.

Subtract exclusions and deductions in this order.

Gross Non-Title IV income

- Exclusions

= Net Student Income

- Deductions

= Income

Allow a student to provide documentation when a school does not provide expense information.

Allow students to document actual expenses which exceed the earmarked amount.

Exclude origination and guarantee fees and insurance premiums on student loans. Compute Stafford Origination and Guarantee fees and SLS/PLUS Guarantee Fees using the award letter, Earmarked Student Expense list (7.8.0), or alternate documentation.

07.06.02
Student Financial Aids Report

Use the Student Financial Aids Report (20.11.0) to get information directly from the school when a student's school is not on the Earmarked Student Expenses List (7.8.0). Submit school up-dates or additions to the Earmarked Student Expense List to the BEA director for approval.

Don't count any Title IV, Carl Perkins, and BIA income that is reported on the Student Financial Aids Report (20.11.0).

Exclude expenses the same way as those listed in 7.6.4.1.

07.06.03
Student Aid & Expenses Worksheet

Use the Student Aid & Expenses Worksheet (20.12.0) to determine income amounts based on student aid and work study. Do not include Title IV, Carl Perkins, and BIA income when filling out the worksheet.

If all student aid is from Title IV, Carl Perkins, and/or BIA, you are not required to do the worksheet. Document the aid source in the case record though.

07.06.04
Excluded Expenses

Exclude these school expenses from student aid:

1. Tuition,
2. Mandatory fees,
3. Books,
4. Supplies,
5. Transportation,
6. Origination and loan fees (7.6.1),
7. Miscellaneous personal expenses (other than living expenses), and
8. Purchase of equipment or supplies related to the course of study.

Allow the exclusions regardless of the aid source.

Example. Hank is attending MATC-Madison. His total educational expenses are $2,022 based on the Earmarked School Expense list (7.8.0). He receives $2,000 in Title IV aid. Disregard the $2,000 as income because it's Title IV.

Allow the $2,022 as an exclusion for expenses.

Mandatory fees include fees charged to students within a certain curriculum such as uniforms, lab fees, or equipment. These are curriculum specific costs.

07.06.04.01
Exclude Earmarked Expenses

Exclude earmarked school expenses in the amount found on the Earmarked School Expense list (7.8.0). Use the earmarked school expenses for half-time through full-time students.

Allow the student to provide alternate documentation if the school is not listed. Also allow alternate documentation if the student claims actual costs exceed the earmarked amount. Use the higher figure.

Document any changes from the Earmarked School Expense list (7.8.0) in the case record.

07.06.05
Subtract Deductions

Any person may be eligible for a deduction, regardless of his/her eligibility for exclusions. Do not allow a deduction for a portion that has already been excluded as an expense.

07.06.05.01
Dependent Care

Deduct up to $200 monthly for each child under age 2 or $175 monthly for each child age 2 and over for any actual verified dependent care expense (16.5.0).

Do not exclude the amount from educational income.

Example. The school lists $1,000 for child care on Judy's Financial Aid Report. The $1,000 is not excluded from her student income. She pays $300 a month for child care for her 1 year old child. Judy can have a dependent care deduction of $200 a month but is not entitled to an exclusion of $1,000.

07.06.05.02
Shelter Deduction

Do not exclude shelter costs from educational income. Allow a shelter deduction if the student qualifies in 16.6.0.

The student may choose either the actual or standard method when determining the utility deduction (16.7.0).

07.07.00
Elementary & HS

See 12.3.21 for income instructions.

07.08.00
Earmarked School Expenses

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08.01.00
Food Stamp Employment and Training Program (FSET)

FSET is the current FS work program. Every ESA has an FSET program attached to it. DWD has granted FSET administration to W-2 agencies effective September 1, 1997. Some tribal governments may operate FSET provided they meet the requirements outlined in the FSET Program Guide (6/97).

08.01.01
FSET Components

At a minimum, FSET agencies provide the following basic component services (FSET Program Guide 6/97):

1. Orientation
2. Assessment
3. Employment Search

Post Secondary Education activities will not be available to participants unless participants are in this component as of October 1, 1997, and are completing their plan. Do not place new FSET participants in this component. If the person is not completing their PSE activities, remove them from the activity. The person will not be eligible to return to this component.

After October 1, 1997, the work experience component (WX) will include only work for public or private non-profit employers. Do not include employment at private for-profit agencies in this component.

08.01.02
ESS Responsibilities

Responsibilities of the ESS for FSET include:

1. Determining FS eligibility status.
2. Determining referral to correct FSET office.
3. Advising registrants (8.2.0) of rights and responsibilities, including advising clients who are exempt that they may volunteer for FSET.
4. Responding promptly to sanction and/or exemption information sent by the FSET agency and communicating the action taken.

08.02.00
Registrants

The following registrant groups are mandatory for FSET participation, unless exempt (8.2.1):

1. FS only recipients.
2. FS and General Relief (GR) recipients.
3. FS and Bureau of Indian Affairs-sponsored tribal GR recipients.

08.02.01
Exemptions From FSET Registration

A FS group member may be exempt from FSET. Anyone who isn't exempt is a mandatory work registrant.

Use the Work Participation Unit to determine exemption and mandatory status. Inform the mandatory registrant of sanctions associated with not cooperating with work requirements.

The following are exempt:

1. Mandatory W-2 employment position participants who are enrolled in W-2. Case management only W-2 participants are not exempt from FSET on the basis of their CMO status.
2. The second parent in two-parent W-2 employment position families.
3. Persons under age 16, or 60 or older.
4. Students enrolled at least half time in a recognized school, employment training program, institution of higher education, or refugee training program. The refugee training programs include, but are not limited to those which provide language and job readiness skills.

   Don't exempt anyone as a student if s/he:
   a. Graduates.
   b. Is suspended, expelled, or drops out.
   c. Doesn't intend to register for the next school term (excluding summer school).

5. Migrant workers under contract or similar agreement to begin employment within 30 days.
6. Persons employed or self-employed at least 30 hours a week.
7. Persons earning gross weekly wages of at least $154.50 (fed min. wage $5.15x30=$154.50).
8. Persons physically or mentally incapable of employment. You may request verification of a group member's claim to be mentally or physically incapable of gainful employment. Appropriate verification includes:
   a. Receipt of temporary or permanent disability benefits issued by governmental or private sources; or
   b. A supporting statement from a physician or certified psychologist.
9. Drug and alcohol treatment center residents. Contact the treatment center's operator for verification only if the participant has given you permission.
10. Persons providing care to a child under age 1 or to an incapacitated person. The dependent child or incapacitated person does not have to be in the FS group, or be living with the FS group/person. The FS participant can have the exemption as long as s/he is caring for a dependent child under the age of 1, or an incapacitated person, and no one in the household that the child or incapacitated person is living in is providing care for them. Exempt only 1 care giver for each dependent child or incapacitated person.
11. Persons who have applied for, or who are receiving unemployment compensation.
12. Persons age 16 or 17 who are not the primary person.

08.02.02
Volunteers

Exempt members can register as volunteers, except that persons employed or self-employed at least 30 hours per week cannot volunteer for FSET. Volunteers can change their decisions about participating without any sanction.

08.03.00
Work Requirements For FSET Registrants

To maintain eligibility for FS, FSET mandatory adult applicants and recipients must:

1. Register for and participate in any work, employment search, or training requirements established by the FSET administering agency. All FSET mandatory persons must be placed in Employment Search.
2. Accept an offer of suitable employment (8.3.1).
3. Provide sufficient information to allow a determination of employment status or availability for work.
4. Not voluntarily quit a job without good cause.
5. Non-ABAWD FSET participants may not voluntarily reduce their collective (all adult FS group members) participation in the work experience component to below the number of hours per month which equals: the FS group's monthly FS allotment divided by the federal minimum wage ($5.15/hour).

   Non-ABAWD FSET participants cannot be required to collectively participate in FSET work experience more hours than the monthly food stamp allotment divided by the higher of the federal or state minimum wage.

   No individual in the FS group can be required to participate in the work experience component more than 120 hours a month.

   Non-ABAWD FSET participants may not voluntarily reduce unsubsidized work hours to below 30-hours per week if employed 30 or more hours per week, without good cause.

6. Able-Bodied Adults Without Dependents, (ABAWDs, 8.8.0) may not voluntarily reduce their collective work or work force participation to below the number of hours per month which equals: the FS group's monthly FS allotment divided by the federal minimum wage ($5.15/hour). The ABAWD cannot be required to work or participate in the work force more than that number of hours.
7. Participants must develop an Employability Plan (EP) with their case manager, which sets out a logical sequence of activities which will result in a change in their employability. Complete the first EP within the first three weeks after enrollment. Complete any subsequent EP as appropriate.

   At the option of the local agency, a person assigned to Employment Search the first three weeks of his or her assignment does not have to complete an EP. At the end of three weeks it must be completed.

The client must sign the application. By signing the application, the client acknowledges registration with the FSET program.

08.03.01
Suitable Employment

Employment is suitable unless any one of the following are true.

1. The wages offered are less than the highest of:
   d. The applicable Federal minimum wage,
   e. The applicable State minimum wage,
   f. Eighty percent (80%) of the Federal minimum wage, if neither the Federal nor State minimum wage applies.

2. The employment offered is on a piece-rate basis and the average hourly earnings are less than the applicable hourly wage specified above.
3. The registrant is required to join, resign, or refrain from joining any legitimate labor

08.03.02
Status Changes

If a change in FS eligibility occurs making the FS group eligible for food stamps, register the group for FSET participation **immediately**. The following changes may include:

a. The source of income (other than W-2),
b. Gross earned income of at least $80,
c. Unearned income of at least $25,
d. Household composition,
e. Vehicle ownership,
f. Assets, or
g. Deductible medical expenses.

If a change in an exemption status occurs that no longer makes the FS group exempt from FSET participation, register the FS group **at the next review**.

08.03.03
CARES

Register a FS group member for FSET in CARES by completing screen AIWP and pressing PF24. This will refer the client to the appropriate FSET office. Screen AIWP controls registration codes, exemption codes and the WP referral. AIWP also updates information for CARES work program records.

08.04.00
Voluntary Quit (VQ)

A VQ occurs when a FS group member, or FS applicant meets the following criteria, without good cause (8.5.0).

08.04.01
Voluntary Quit Criteria

Deny or discontinue the FS group member if s/he meets <u>all</u> 4 criteria. Take no negative action if the FS group member fails to meet <u>any</u> of the criteria.

1. A FS member or applicant quits employment.
2. The FS member is a mandatory work participant.

   Remember, if a FS participant has been exempt from FSET participation because s/he was employed at least 30 hours a week (8.2.1), and quits that employment , that FS participant automatically becomes FSET mandatory at the time of the voluntary quit.
3. Employment was the type to which the policy applies (8.4.2).
4. The quit was within the applicable time frame (8.4.2).

Sanction only the <u>individual</u> member who meets all four criteria (8.6.2).

08.04.02
Applies To

Apply the voluntary quit criteria (8.4.1) when both of the following occur:

1. A FS group member or applicant quits within 60 days before the application date, <u>or</u> any time thereafter.
2. In the last week of employment, the quit job provided:
   g. Employment at least 20 hours a week; <u>or</u>,
   h. Weekly wages at least equal to $103.($5.15 x 20 = $103)

<u>Example.</u> Fred regularly works 15 hours a week but has to work 38 hours a week for 2 weeks, and then return to the 15 hour a week schedule. He voluntarily quits (without good cause) during a 38 hour week. Since he is employed over 20 hours a week at the time he quit, this is a voluntary quit.

<u>Example.</u> Jill is regularly paid 50 cents an hour over the Federal minimum wage and works 40 hours a week. Her hours are reduced to 5 hours a week for 2 weeks, but she'll return to the regular schedule after the 2 weeks. She quits (without good cause) during 1 of the lower paid weeks. This is not a voluntary quit.

08.04.03
Exceptions

Don't apply voluntary quit criteria (8.4.1) when any of the following occur.

1. The person's hours of employment are reduced but the employer remains the same.
2. The person discontinues a self-employment enterprise.
3. The person resigns from the job at the employer's demand.

08.05.00
Good Cause

Before disqualifying someone, determine if there was good cause for the person's VQ or refusal to register or participate in FSET. Consider all facts and circumstances, including those submitted by the FSET agency provider, household, and employer.

08.05.01
FSET Good Cause

Good cause includes circumstances beyond the member's control, such as, but not limited to:

1. Illness.
2. Illness of another household member serious enough to require the person's presence.
3. Unavailability of transportation.
4. Unanticipated emergency.
5. Employment is no longer suitable (8.3.1).
6. The FS group member becomes exempt from work registration.
7. The FS group member is terminated from a job due to circumstances beyond his/her control.
8. Lack of adequate child care for a child(ren) age 1-11.

08.05.02
VQ Good Cause

Don't deny or discontinue FS if you find that the person quit with good cause. Examples are:

1. The conditions cited as FSET good cause in: 8.5.1.
2. Quitting a job that doesn't meet the suitable employment criteria (8.3.1).
3. Quitting a job when the employer discriminates on the basis of any of these:
    a. Age.
    b. Race.
    c. Sex.
    d. Color
    e. Handicap.
    f. Religious belief.
    g. National origin.
    h. Political belief.
4. Work demands or conditions make continued employment unreasonable. For example, working without being paid on schedule is unreasonable.
5. Acceptance by the FS group member of employment that requires him/her to leave the quit employment.
6. At least half-time enrollment by the FS group member in any recognized school, training program or institution of higher education (7.1.1). The enrollment must have required him/her to leave the quit employment.
7. A change in the FS group member's place of residence that requires him/her to quit employment. The FS group must have moved because:
    a. Another group member accepted a new job, or
    b. Another group member enrolled at least half-time in a recognized school, training program, or institution of higher education.
8. Resignations when the FS group member is under 60 and the employer recognizes the quit as retirement.
9. Quitting a job or refusing a "bona fide" employment offer that promised employment of more than 20 hours a week or weekly earnings of at least a week if:
    a. It doesn't materialize or,
    b. Results in less than those number of hours or amount of wages,
10. Quitting in the context of the natural pattern of employment, such as migrant or construction labor. Good cause occurs even if the new job hasn't started or been obtained if the actions are consistent with the pattern for that type of employment.

08.05.03
Verification

Acceptable sources of verification for good cause include: previous employers, grievance committees or organizations, employee associations, and union representatives.

Don't refuse good cause status when verification can't, for good reason, be obtained. Discrimination, unreasonable employer demands, or loss of contact with the employer are examples.

08.05.04
Government Employees

An employee of the Federal, State or local government participating in a strike against that government who is dismissed because of the strike has VQ his/her job without good cause.

08.06.00
Sanctions

Disqualify a mandatory FSET participant if that person does any of the following:

1. Fails to register.
2. Having registered for FSET, fails to participate.
3. Fails to accept an offer of suitable employment.
4. Fails to provide sufficient information to allow a determination of employment status or job availability.
5. Voluntarily quits a job without good cause.
6. If a regular FSET participant, s/he voluntarily reduces his/her participation hours in the work experience component to either:
    a. Less than the number of hours resulting from dividing the group's FS allotment by the federal minimum wage; or
    b. Less than the maximum 30 hours a week which can be required of an individual FSET participant; .

    whichever is <u>fewer</u> hours
7. If an ABAWD participant, s/he voluntarily reduces his/her work or work program participation hours to below 20 hours a week averaged over a month (80 hours total).

The FSET administering agency notifies you by a CARES WP Sanction Request alert when any of the above occur.

Don't disqualify a voluntary registrant, who fails to participate. It is recommended that the FSET case manager request an Exemption Review.

08.06.00.01
Non-Sanctionable Activities

There are several placements listed in CARES which are local agency options for placement, but which are not sanctionable in the FSET Program.

1. Parenting/Life Skills, a subset of the Job Skills training component, is a local agency option for tracking purposes, but it is <u>not</u> sanctionable.
2. Counseling activities are local agency options for referrals, but these referrals are not sanctionable activities.

08.06.01
FSET Sanction Periods

If a FS group member fails to comply with work requirements in the FSET program, deny or discontinue benefits for that member for:

1. One month for the first violation.
2. Three months for the second violation.
3. Six months for the third violation or any subsequent violation.

08.06.01.01
Re-establishing Eligibility

When a person is in a sanction period in FSET, eligibility can be re-established if:

1. The sanction period is expired, and the person requests eligibility, or
2. The sanctioned person becomes exempt from the work registration requirements and requests reinstatement.

Additional requirements for ABAWDS are contained in 8.8.3.

When a person is in a pending sanction period the sanction can be canceled and eligibility re-established if the person completes the action required by the FSET program prior to the effective date of the sanction.

Example: Mike became mandatory for FSET, and failed to register. A notice of negative action was mailed to him on March 5th, the effective date of the sanction was April 1st. On March 20th Mike came into the FSET office, requested eligibility and completed registration and orientation. Mike has re-established his eligibility.

The pending sanction period extends from the date of the notice of negative action to the effective date of the sanction (the first of the month after the end of the 10 to 13 days notice of negative action period.)

08.06.02
VQ Sanction Periods

You will find voluntary quits through reviews and interviews.

If a FS applicant, or mandatory FSET registrant (including those who were FSET exempt solely because of working 30 hours or more a week, or earning at least $154.50 a week), voluntarily quits without good cause, apply the following sanctions.

08.06.02.01
At Application or Within 60 Days Prior

If the individual is found to have quit a job at application or within 60 days prior, deny the individual's eligibility for 90 days, starting from the date of the VQ.

08.06.02.02
After Application

If a recipient is found to have quit a job after application, discontinue the recipient's eligibility for 3 months. Begin the disqualification period on the first of the month after giving timely notice.

08.06.03
Re-establishing Eligibility

When someone is sanctioned in FSET, eligibility can be reestablished if:

1. The sanction period has expired, and the person requests eligibility , or
2. The sanctioned person becomes exempt from the work registration requirements and requests reinstatement.

Additional requirements for ABAWDS are contained in 8.8.3.

08.06.03.01
VQ Only

In addition to the methods listed in 1 and 2 above (8.6.3), the person may re-establish eligibility during a VQ sanction when s/he secures new employment which is comparable in salary or hours to the job which was quit.

08.07.00
Striker

Strikers are not exempt from work registration requirements.

08.07.01
Definition

A striker is anyone involved in either of the following, whether or not s/he is in a collective bargaining unit.

1. A strike or concerted stoppage of work by employees against their employer. This includes a stoppage because a collective bargaining agreement expired.
2. A concerted slowdown or interruption of operations by employees against their employer.

A person is a striker whether or not s/he personally voted for the strike.

08.07.02
Exceptions

None of the following is a striker:

1. An employee affected by a lockout.
2. Persons exempt from the FS work requirements except those exempt solely because they're employed. For example, a caretaker of a child under one year old is not a striker.
3. Any employee of the Federal Government, the State or any political subdivision engaged in a work related strike. S/he has voluntarily quit his/her job without good cause.

08.07.03
Termination of Strike

A strike has ended when:

1. The employer notifies its striking employees that it has hired or is hiring replacement workers.
2. All or some of the employees can't return to the same job they held with that employer before the strike.
3. The employees return to work.

08.07.04
Eligibility on Day Before Strike

To be eligible, a FS group with a striker must have been eligible on the day before the strike began.

1. If the case was open for FS on that date, it remains eligible if it continues to meet all criteria.
2. If the case wasn't open on that date, determine if the case could have been eligible on the day before the strike. Assume the application date is the day before the strike began and the strike never occurred. Use the Striker Evaluation Form (20.5.0). Deny an application if the group would have been ineligible the day before the strike.

08.07.05
Pre-Strike Income

Determine the FS group's eligibility and allotment. Add the highest of the 2 following incomes to the income month's income of the other FS group members.

1. The striker's income on the day before the strike ("pre-strike income"), or
2. The striker's income on the date of the current determination ("current income") (8.7.6).

Determine the striker's pre-strike income by adding:

1. All unearned income s/he would normally expect to have received that month, and
2. All earned income s/he would have received in a month using the wage rate s/he was earning on that date. Allow the 20% earned income deduction.

08.07.06
Current Income

Determine the striker's current income as you would any other person's regular income.

08.08.00
ABAWDs

Able-Bodied Adults Without Dependents (ABAWDs) are FSET mandatory adults, 18 through 49 years of age with no children in the FS assistance group. If a person from another state enters Wisconsin with an ABAWD strike or strikes, that person is treated like a person who had received the same number of strikes in Wisconsin. ABAWDs are a subset of FSET participants, they must be placed in one of the following activities and are subject to all FSET requirements with the following clarifications:

1. ABAWDs are required to work or participate in the work experience component the number of hours equal to their FS Group's monthly FS allotment divided by the federal minimum wage ($5.15/hour). They cannot be required to complete more than those hours in the work or work experience component.
2. Participation in the Job Search or Job Search Training activity components as the sole activity does not qualify as work or work experience participation except during the first 30 days of eligibility following an application or after a break in participation. The applicant can be placed in the components after the first 30 days but it does not count for their required work or work experience hours.
3. For those who are assessed as appropriate for the education and training component, they may meet their participation requirement by participating in the education and training component for a minimum of 20 hours a week.

In addition, ABAWDs are subject to the policies set out below.

08.08.01
Excluded Persons

The following persons are excluded from ABAWD provisions:

1. Those under age 18 or age 50 or over.
2. Pregnant women, at any point in the pregnancy.
3. Adult members of a FS assistance group containing a minor child (under the age of 18 years). The adult(s) and child do not have to be related.

Example: The household consists of Mary and Frank, an adult married couple, their 20 year old son, their 18 year old daughter and her one year old son. All the members of the group purchase and prepare food together. The 20 year old son is not an ABAWD, since he is a member of a FS group with a minor child.

4. Those who are exempt from FSET work requirements (8.2.1).

08.08.02
ABAWD Strikes

An ABAWD individual who receives an FSET sanction may also be eligible for an ABAWD strike. An ABAWD strike can only be imposed for a full month of eligibility. A strike may only be applied after you have decided a sanction should be applied. You must impose a strike if all the following conditions are met:

1. The client was Food Stamp eligible for the full month, benefits were not prorated,
2. The client received a sanction,
3. The person was an ABAWD in the month of non-participation in the FSET program, (check exclusions above),
4. The person was an ABAWD in the month of the sanction,
5. The person was not within his or her three month grace period (8.8.3.1), AND
6. The person did not have work or work experience activities totaling the required hours (FS group's monthly allotment divided by the federal minimum wage) during the non-participation month; or, during their first 30 days did not have Job Search or Job Search Training; or, did not complete 80 hours per month of Education and Training activities.

Each month of nonparticipation which meets 1-5 above is a strike. Deny FS benefits to an ABAWD who earns three strikes within the 36-month period (8.8.2.1), and does not comply with the regaining eligibility requirements (8.8.3).

Example. Ann is an FSET mandatory individual who meets the criteria of ABAWDs. In April she fails to enroll without good cause in FSET. The ESS enters an FSET sanction which results in her losing eligibility for the month of June. This is her first FSET sanction (one month minimum) and her first ABAWDs strike.

Example. Betty is an FSET mandatory individual who meets the criteria of ABAWDs. In April she fails to enroll without good cause in FSET. The ESS enters an FSET sanction which results in her losing eligibility for the month of June. However, she verifies to the ESS in May that she is pregnant. Betty is still FSET mandatory and therefore still receives the FSET sanction, but she now has an exception to the ABAWDs definition. She does not earn an ABAWDS strike.

Example. George is an FSET mandatory ABAWD. He is assigned to 30 hours a week of activities in the FSET program, which includes 10 hours of work experience participation (based on his group's FS grant divided by the federal minimum wage). Over the course of the month he misses 8 hours of non-work experience activities per week without good cause. George should receive an FSET sanction, but not an ABAWD strike. He has met the minimum work or work experience requirement of 10 hours.

If the strike is imposed and later it is learned that the person was not an ABAWD at either the time of nonparticipation or imposition of sanction, remove the strike.

08.08.02.01
Thirty-Six Month Period

When looking at the preceding 36-month period: 1) Do not count any sanction or strike months prior to December 1996; 2) Do not count a partial or prorated month as a strike. The thirty-six month period runs from Dec. 1, 1996 to Nov. 30, 1999.

08.08.03
Regaining Eligibility

ABAWDs are subject to the minimum sanction periods for all FSET participants (8.6.0). In addition, restore benefits to an ABAWD who receives three strikes if:

1. S/he has worked or participated in a workfare position for the required number of hours (FS group grant divided by the federal minimum wage) in a 30-day period. This work can occur during the sanction period.
2. S/he has participated and complied with FSET, Job Training Partnership Act (JTPA) or Trade Adjustment Assistance Act program for 80 hours or more in a 30-day period,
3. The 36-month period expires. If the preceding 36-month period has less than (3) months of receipt of FS without meeting work requirements or other exemption, the person is eligible for at least one month of FS,
4. S/he becomes exempt from FSET, or
5. S/he meets one of the ABAWD exemptions.

If an ABAWD receives an FSET sanction but not a strike, s/he does not have to perform the additional requirements in order to regain FS eligibility. See Examples in 8.8.2. If an ABAWD applies for FS after finishing his/her FSET sanction, but before completing the ABAWD required hours of work or participation in a work experience program, accept the application and after the required hours are completed, issue FS from the date of the application.

08.08.03.01
Eligibility Grace Period After ABAWD Ineligibility

A person who has received three strikes, and regained eligibility but again loses employment or fails to meet ABAWD work requirements may remain eligible for a consecutive 3-month period (grace period). The grace period begins on the date the local agency becomes aware that the person is not meeting ABAWD work requirements.

If the person fails to meet the eligibility criteria and that results in a sanction, the sanction must be imposed and served before the three month grace period can be exercised by the client. The grace period will apply primarily to situations where the person has been laid off.

Example: Mark is an FSET mandatory ABAWD. He has received three FSET sanctions and three ABAWD strikes. During the last 30 days of his 6 month sanction period he completed his required hours (FS group grant divided by the federal minim

After the grace period (even if only part of the grace period) has been used, the only way to regain eligibility is to serve the sanction period and: comply with ABAWD work requirements, or become FSET exempt, or become ABAWD exempt.

Example: Harriet is a mandatory FSET ABAWD. She has received 3 FSET sanctions and 3 ABAWD strikes. Harriet worked her required hours during the last thirty days of her six month sanction period and regained eligibility. She continued t

09.01.00
Application Site

A FS group must live in the county or tribe in which it applies for FS.

No FS group may participate in more than one county in any month (1.3.3) except:

1. Groups moving to Wisconsin from a state using a fiscal month issuance cycle or
2. Persons residing in a shelter for battered women and children.

09.02.00
Guidelines

Residence doesn't mean the legal place of residence or principal home.

Don't require someone to live within the county for any minimum time.

An eligible FS group doesn't have to live in a permanent dwelling or have a fixed mailing address.

Residence doesn't mean the intent to live permanently in Wisconsin or the county.

A person who's in the county solely for vacation purposes is not a resident of the county.

09.03.00
Temporary Absence

Include a temporarily absent person in the food unit. Examples of temporary absence are:

1. Hospitalization.
2. Employment (for example, fishermen).
3. Visits.
4. Attending a public educational institution or specialized school such as schools for the blind or deaf. This applies only when the parent continues to exercise care and control of the student.

09.03.01
Military Absence

Someone absent solely for full-time service in the military isn't temporarily absent. The person isn't in the food unit.

09.03.02
Huber Law Prisoners

Huber law prisoners who are released from confinement for the purpose of caring for members of their family, and who purchase and prepare meals with their family members are considered temporarily absent from the FS Unit and may be eligible for food stamps. The prisoner must meet all financial and non-financial eligibility requirements.

A Huber Law prisoner is caring for his/her family if s/he meet all the following criteria:

1. Intends to return home after his or her confinement.
2. Continues to exercise care and control of his or her children.
3. Continues to plan for the support and care of his or her children.
4. Is released to attend to the needs of his/her family and to purchase or prepare meals with his/her family.

Example: A mother with three school age children has been sentenced to serve 90 days in a Huber facility. She is released at 8:00 a.m. to her place of employment and must report directly back to the Huber facility by 4:30 p.m. This mother is absent form the household and is not eligible for FS benefits.

Example: A father applies for FS for himself and his two school age children. He is sentenced to serve 90 days in a Huber facility. Under the terms of his sentence he is released each morning at 6:00 a.m. to report to his job; at 3:00 p.m. he is to leave his job and report to his home to care for his children, including fixing and eating dinner with them. He must report back to the Huber facility by 8:00 p.m. This father is temporarily absent from the FS household and is eligible for FS benefits.

10.00.01
Child Support Cooperation Intro

As a condition of participation in the FS Program, require all adult FS applicants and recipients to cooperate with the Child Support Agency (CSA) if they are the natural or adoptive parent, or living with and exercising parental control over, a child under the age of 18 who has an absent parent.

Whether the person is cooperative or not is determined by the CSA and that information is communicated to the FS agency. If the Fs applicant/recipient is a custodial parent the process is automated through the CARES/KIDS interface. The cooperation of non-custodial parents (NCPs) is not automated through CARES/KIDS. The procedure for NCPs is set out below.

10.00.02
Procedure for NCPs

If it becomes known at application, review or report of change that an applicant or recipient is a non-custodial parent, contact the CSA by telephone, e-mail, fax or other means of communication and ask for the person's cooperation status. The CSA will respond within seven days.

If a non-cooperative NCP becomes cooperative, it is the responsibility of the NCP to report the change to the FS worker and obtain verification. The CSA will provide verification to the NCP or the FS agency if requested by the NCP. Until verification is received continue to code the NCP non-cooperative.

10.01.00
Cooperation Criteria

Deny eligibility to an adult FS applicant or recipient who fails to cooperate with the Child Support Agency without good cause under the following criteria:

1. A custodial parent, including a natural or adoptive parent, or any person living with and exercising parental control over, a child under the age of 18 with an absent parent, must cooperate with the CSA to:
    a. Establish paternity,
    b. Obtain support payments, and
    c. Obtain any other payments or property to which the child is entitled.
2. An alleged father of a child under the age of 18 must cooperate with the CSA to establish paternity.
3. A non-custodial mother of a child under the age of 18 must cooperate with the CSA to establish paternity.
4. Any non-custodial parent of a child under the age of 18must cooperate, as determined by the CSA and DWD, with the CSA to obtain support for the child.
5. A parent who is under court order to provide child support payments, and who is delinquent in making those court-ordered payments will be denied FS unless:

    a. The delinquency balance equals less than three months of the court ordered payment amount.

    b. The court or county CSA is allowing the parent to delay child support payments.

    c. The parent is in compliance with a payment plan approved by the county CSA.

Assume the applicant is cooperating unless an alert or notice of non-cooperation is received from the CSA. If a notice of non-cooperation is received continue to code the person as non-cooperative until a notice and verification of cooperation is received by the CSA.

If the case was closed and the most recent status was non-cooperation when the person re-applies, continue to code the person as non-cooperative until notice of cooperation is received from the CSA.

If a parent or alleged parent is ineligible for the FS Program because of his or her non-cooperation with the CSA, count that person's income, assets, and expenses in the FS group's calculation of eligibility. See 15.7.0

10.01.01
Good Cause For Non-cooperation

An individual who fails to cooperate with the CSA agency, can request a good cause waiver of their non-cooperation. The FS worker (public employee) decides whether to allow the waiver.

The following are good cause for non-cooperation:

1. It can be reasonably anticipated that the FS applicant/participant's cooperation will result in:
    a. physical or emotional harm to the child, or
    b. physical or emotional harm to the parent which would reduce the parent's ability to adequately care for the child.
2. An adoption petition for the child(ren) in question has been filed with a court.
3. The child was conceived as a result of incest or sexual assault.
4. The parent is being assessed by a public or private social agency to determine whether his/her parental rights should be terminated.

If the denial of a good cause waiver is taken to a fair hearing in a joint FS and W-2 case, the decision in the FS fair hearing shall supersede the fact finding decision in the W-2 case.

10.01.02
Regaining Eligibility

A person can regain eligibility for the FS program by cooperating with the CSA, including but not limited to, paying court-ordered child support payments as set out above.

11.01.00
Guidelines

A FS group may not exceed its asset limit and be eligible. The asset limit is:

1. $3,000 when at least 1 group member is 60 or older.
2. $2,000 for all other groups.

Categorically eligible groups don't have to pass an asset test.

Mixed categorically eligible groups must pass the asset test. Count the assets of all group members **except**:

1. AFDC or SSI recipients, or
2. All members of a W-2 group in which is receiving W-2 payments, or
3. All members of a W-2 group in which one member has been determined eligible for a W-2 employment position.

Disregard means "Don't count."

Deem means allocate income, assets, and/or expenses to someone from someone else. Deeming occurs regardless of whether the allocated amounts change hands.

11.01.01
Equity Value

Equity value is the fair market value (FMV) minus any encumbrances against the asset. Only count the equity value of nonexempt assets. Disregard the equity value of exempt assets.

11.01.02
Separate & Mixed Assets

Disregard exempt assets a FS group keeps in a separate account, or in an account with other exempt assets. Disregard them indefinitely.

If the group keeps an asset in an account mixed with countable assets, disregard the exempt assets for 1 of these periods:

1. For 6 months from the date the exempt asset was mixed with the countable assets.
2. If an exempt asset is money that you've pro- rated as income, exempt it only for the period over which you've prorated it. After that period expires, count the asset. Student aid, self-employment, or farm income are examples of prorated income.

11.01.03
Availability & Exemptions

Not all assets owned by an FS group are counted against a group's limit. Unavailable assets are not counted. Unavailable assets are:

1. Assets inaccessible to the household because they are unknown to the household. The assets become available assets the day the household becomes aware of them.
2. Nonexempt assets that the owner can't make immediate use of. Disregard an unavailable asset until it becomes available.
3. Assets that a household is unable to sell for any significant return because the household's interest is relatively slight or because the costs of selling the household's interest would be relatively great.

   "Significant return" is defined as one half or more of the asset limit for the household (after estimated costs of sale or disposition, and taking into account the ownership interest of the household). This does not apply to stocks, bonds, or vehicles.

Examples of unavailable assets are:

1. Some irrevocable trust funds (11.4.7).
2. Property and goods in probate.
3. Security deposits for rental property or utilities.
4. Some gifts (11.5.4.1).
5. Some items in a collection.
6. Non-liquid assets that have a lien on them as security for a loan. The purpose of the loan must be to produce income. It can't be for the purchase of the asset against which the lien is in effect.

   The lien agreement must prohibit selling the asset until the lien is satisfied. Non-liquid assets include land, crops, buildings, timber, farm equipment, and machinery.

Example. A farmer borrows from a bank to buy a new dairy bulk tank by allowing a lien on his corn crop. The value of the corn crop is unavailable until the lien is removed by satisfying the loan.

Disregard an asset when:

1. It is used by or for an ineligible alien or disqualified person in the household and
2. You're deeming assets from him/her in determining the group's eligibility.

11.01.04
Jointly Owned Accounts

An account is:

1. A deposit of funds (savings, checking, share and NOW accounts, certificates of deposit, and similar arrangements), made with,
2. A financial institution (such as a bank, savings and loan, credit union, or insurance company), where,
3. The holders have equal access to the funds.

Jointly held accounts in a state regulated financial institution are accessible to all holders of the account. The food unit has access to the joint account, with the exceptions below.

Don't assume that a jointly held account is accessible if it is:

1. Established for business, charitable, or civic purposes.
2. A trust or restricted account. The person named as holder has no or limited access to the funds.
3. A special purpose account. A special purpose account has at least one holder acting as the power of attorney, guardian, or conservator for another account holder(s).

11.01.04.01
Jointly Owned by Different Food Units

Unless excepted below, deem the full value of assets owned jointly by separate food units to each unit.

Example. An asset worth $600 is owned by 3 persons in the same household. 2 are in the same food unit and the 3rd is in another unit. Deem the asset's full value of $600 to each food unit. In the unit with 2 owners, deem $300 to each owner (11.1.4.2).

If a food unit jointly owns an asset and shows:

1. The asset isn't available to it, don't count the asset's value for that unit.
2. It has access to only a portion of the asset, count only that portion's value as an asset for that unit.

A jointly owned asset is unavailable to a food unit when:

1. It can't practically be subdivided; and,
2. The group's access to its value depends on the willingness of a joint owner who refuses access.

11.01.04.02
Jointly Owned Shared Within Same Food Unit

Disregard assets a food unit living in a shelter for battered women and children owns with someone in its former food unit. Do this if agreement of the joint owner still living in the former household is needed for access.

When the joint owners of an asset are in the same food unit, deem each an equal share of the asset's total value. This avoids counting more than the asset's actual value.

Example. Three food unit members own an asset valued at $600. Assigning full value to each holder would give the food unit $1800 (3 x $600). Only $600 is actually available. To avoid this, give each food unit member an equal share or $200. The food unit's total is now the asset's actual $600 value.

If only 2 food unit members are FS group members, each contributes $200 to the FS group's assets. This is a total contribution of $400 from FS group members. Determine why the other food unit member is not in the FS group. This will determine if the $200, or a portion of it, is deemed to the group.

11.02.00
Real Property

Disregard the FS group's home and contiguous property.

11.02.01
Homestead

A home is any dwelling place intended for human habitation. Disregard only one home and all property surrounding the home. If a FS group owns more than one home on contiguous property, you must count the second home as an asset. There is one exception. If the second home is producing income consistent with its FMV, disregard it also.

Count property that is separated from the home by intervening property owned by others. A public right of way, separating it from the home, doesn't affect the property's exemption.

Example. A public road runs through Ted's property, separating it from the home. The property on both sides of the road is exempt.

The home and lot remain exempt when:

1. Temporarily unoccupied due to employment, training for future employment, illness, or inhabitability caused by casualty or natural disaster; **and**,
2. At least some of the household members intend to return to it.

When a household doesn't own a home and owns or is purchasing a lot to build on, disregard the value of the lot, and any partially completed home on the lot. Do this only if the household intends to build a permanent home on the lot.

11.02.02
Income Producing Property

Disregard property, including rental property, than annually produces gross income consistent with its FMV. This exemption includes seasonal property.

11.02.03
Essential for Self-employment

Disregard property essential to the self-employment of a household member, such as farm land.

11.02.04
For Sale Property

Disregard property that the FS group is making a good faith effort to sell. Listing of the property at a price realtors find salable satisfies the good faith requirement. When the property is sold, count the sale money as an asset.

11.02.05
Native American Lands

Disregard Native American lands:

1. Held jointly with a tribe or band,
2. Held in trust on behalf of an individual native, by the Department of the Interior, Bureau of Indian Affairs, or
3. Held by the individual under a restricted deed which prohibits its sale without the approval of the Dept. of Interior, or Bureau of Indian Affairs.

Disregard when determining eligibility, and benefit levels.

11.03.00
Vehicles

Count the entire value of vehicles owned by a member of the food unit.

Count the equity value of any unlicensed vehicle as an asset. Wisconsin law determines if a vehicle needs registration.

If it is registered (11.3.2):

1. Disregard its value if it meets one of the exemption criteria **or**,
2. Count its market value in excess of $4,650 or its equity value, depending upon its use by the food unit.

11.03.01
Jointly Owned Vehicles

Count the entire value of jointly owned vehicles regardless of the amount each owner would receive if the vehicle was sold. However, disregard vehicles jointly owned by a FS group member and a person who does not live with the household if both of the following conditions are met:

1. The vehicle is unavailable to the FS group member because s/he does not have possession or use; and
2. The FS group member is unable to sell the vehicle.

11.03.02
Owned By Food Unit Members Not In The FS Group

When a vehicle belongs to a food unit member not in the FS group, don't count his/her portion of the vehicle toward the FS group's eligibility. There are some exceptions if the person is ineligible. See 15.0.0 for further instructions.

Example. A food unit of 4 includes an ineligible student (Tim) and 3 FS group members. Tim owns a vehicle whose value you would count as an asset if he was a FS group member. Disregard his assets since he is an ineligible student (15.0.0).

11.03.03
Registration

Vehicle registration is shown by a license plate, renewal sticker, or registration numbers affixed to the vehicle. Some examples are boats, airplanes, and snowmobiles.

A vehicle used only on an Indian reservation doesn't need to be registered. If it's also used off the reservation, registration is required.

Vehicles meet the registration requirement if registered by another state.

11.03.04
Market Value

Determine the market value (MV) of a vehicle by its value as listed in a current standard guide of vehicle values. This is called a "blue book". Use the amount listed as "wholesale value". If the blue book doesn't list wholesale values, use the figure that most accurately represents the vehicle's value if offered to a dealer.

Don't increase the basic value of a vehicle by adding the value of low mileage or other factors, such as optional equipment.

Don't increase the vehicle's value if the vehicle is specially equipped with an apparatus for the handicapped. Assign the value as if the vehicle were not so equipped.

11.03.04.01
Unusual Conditions

An owner may say the vehicle is in poor condition because of body damage, inoperability and so on. If an owner claims the blue book value doesn't apply, s/he must provide you with proof of the vehicle's true value. Verification must be from a reliable source such as a car dealership.

11.03.04.02
Unlisted Vehicles

Accept the owner's estimate of value if the vehicle isn't listed in the blue book. If you believe that estimate is incorrect and the value affects eligibility, s/he must get an appraisal or other evidence of value. Evidence may be a tax assessment or newspaper advertisement that shows the amount like vehicles are sold for. Antiques, custom or classic cars are examples.

11.03.04.03
Excess Market Value (MV)

Count only the amount of market value (MV) over $4,650.

Example. A vehicle has a MV of $12,000. Count only $7,350 (12,000 - 4,650 = 7,350) toward the group's assets.

11.03.05
Equity Value

Equity value means the wholesale value minus any encumbrances against the vehicle that are legally debts.

Don't increase a vehicle's equity value because of the addition of apparatus for the handicapped.

11.03.06
Vehicles Producing Income

Disregard the value of a vehicle if it is:

1. Used more than 50% of the time for income producing purposes (for example, a taxi).
2. Annually producing income consistent with its fair market value, even if only seasonally.
3. Necessary for long distance travel other than daily commuting, that is essential to a food unit member's employment. Examples are a traveling salesperson or a migrant farm worker following the work stream.

Apply the disregard even if the vehicle isn't in use because of temporary unemployment.

Example. The taxi's driver is ill and can't work. The fishing boat is frozen in and can't be used until freed.

4. Used in producing farm income.

11.03.07
Used as Home

Disregard a vehicle if used as the food unit's home.

11.03.08
Physically Disabled

Disregard vehicles used to transport a food unit member who's physically disabled. Physically disabled for this disregard includes:

1. All those defined in 1.6.1
2. Anyone in the food unit who is physically impaired.
3. The impaired person must have special transportation needs.

A household member is considered physically impaired if the FS worker determines that the individual has a permanent or temporary physical disability at the time of application or recertification. If in the judgment of the FS eligibility worker the person appears to be physically disabled, no further verification is required. If the person does not appear to be disabled and a physical disability is claimed, then the household must provide a statement from a physician certifying that the individual is physically disabled.

If the disabled household member's physical impairment ends during the certification period, the household must report the change in circumstances in a timely manner.

Disregard **only** 1 vehicle for each physically disabled member. This disregard is available to the food unit even if the disabled person isn't a member of the FS group.

Disregard the vehicle even if it's also used by others or for purposes other than transporting the physically disabled person.

Example. A food unit of 5 includes a physically disabled person who's ineligible and a FS group of 4. A member of the FS group owns a vehicle used to transport the disabled food unit member. Disregard the vehicle.

Examples of disregarded vehicles are:

1. Those specially equipped to meet a disabled person's needs.
2. Those of a special type that makes it possible to transport a disabled person without the need of special equipment. An example is a van used by a disabled person in a wheelchair.
3. Other vehicles, without special equipment, claimed by and documented by the food unit as necessary for transporting a disabled person.

11.03.09
Personal Use

Allow 1 registered vehicle for each food unit as the unit's personal use vehicle. Apply this status to:

1. One vehicle a food unit in addition to any other vehicles that are exempt.

Example. A food unit owns 2 vehicles. 1 vehicle is used as the unit's home, so it's exempt. The other vehicle is automatically the unit's personal use vehicle.

2. The vehicle with the highest equity value of those vehicles that:
    k. Aren't exempt; or,
    l. Aren't used to go to or seek employment or,
    m. Aren't used to get to training or education preparatory to employment.

11.03.10
Vehicle Related Assets

Disregard any personal property and any portion of real property needed to maintain and use a vehicle that:

1. Produces income, or
2. Is necessary to transport a physically disabled food unit member.

For real property, only disregard the portion that is actually needed for the vehicle. Do this regardless of any zoning or other prohibition against partitioning the land for sale.

Example. George is disabled. He parks his van in a garage on a 1/2 acre of land he owns. The land isn't part of his home. The garage is on 1/8th of the 1/2 acre. Exempt only the 1/8th.

11.03.11
Haul Fuel or Water

Disregard vehicles needed to carry a food unit's primary source of fuel for heating, or water for home use.

11.03.12
Leased Vehicles

Count a leased vehicle as an asset only if an option to buy the vehicle has been exercised.

11.03.13
Vehicles Prohibited from Sale

Disregard licensed vehicles legally prohibited from sale for the time frame in which the sale is prohibited. State law governs whether a vehicle is legally prohibited from sale, for example, probate, bankruptcy, injunction, etc.

11.04.00
Liquid Assets

An asset remains an asset even when its form changes.

Example. Al surrenders a life insurance policy with a $500 cash value and receives a check for $500. That check is the asset. Al uses the check to open a savings account. That account is an asset worth $500.

11.04.01
Land Contracts

Disregard land and installment contracts for land or a building if the contract produces income consistent with its FMV.

11.04.02
Installment Contracts

Disregard the value of property sold under an installment contract or held as security in exchange for a purchase price consistent with its FMV. This includes the sale of any vehicle, property, and building, if the terms of the installment contract provide a purchase price consistent with the property's FMV.

11.04.03
Disaster Payments

Disregard any governmental payment designated to restore a home damaged in a disaster. Apply this exemption if the household is subject to a legal sanction if the funds aren't used as intended.

Disregard any payments to farmers for a farm emergency caused by a natural disaster. The USDA determines if a farm emergency exists.

11.04.04
Personal Goods & Property

Disregard household goods and personal effects, such as home appliances, furniture, and clothes. This does not include real property.

11.04.05
Burial Plot

Disregard 1 burial plot for each food unit member.

11.04.05.01
Pre-Paid Funeral Agreements

Disregard the value of one bona fide pre-paid funeral agreement per household member, up to $1,500 in equity value. Count the available value above $1,500.

11.04.06
Retirement Funds

Disregard retirement funds, but not any:

1. Keogh plan that involves no contractual relationship with persons who aren't in the group;
2. Individual retirement accounts (IRA's).

Count the net amount of a Keogh plan or IRA as an asset. To determine the net amount, deduct from the current balance any loss charged as a penalty for early withdrawal of the entire account.

11.04.07
Trust Funds

Count funds in a trust and any income produced by the trust. Disregard the funds only if all of these conditions exists.

1. The trust arrangement isn't likely to end.
2. The trustee administering the funds is either:
    a. A court, institution, corporation, or organization under neither the direction or ownership of any household member; or,
    b. Someone, not in the food unit, but appointed by a court with court imposed limits on his/her use of the trust's funds.
3. Trust investments made for the trust don't directly involve or assist any business or corporation under the control, direction, or influence of a food unit member.
4. The funds are held in irrevocable trust and are either established from:
    i. The funds of someone not in the food unit.
    j. The food unit's funds, if the trustee uses the fund solely for investments on behalf of the trust or to pay educational or medical expenses for anyone named by the food unit creating the trust.

11.04.07.01
Burial Trusts

Wisconsin law permits a person to establish an irrevocable burial trust. Disregard all funds deposited in an irrevocable burial trust.

11.04.08
Money Prorated as Income

The FS group member may have deposited money into an account from self-employment, farming, or student aid. Prorate this money as income.

Disregard money prorated as income as an asset while you're counting it as income. When it's no longer prorated as income, count it as an asset.

Example. A student deposits his/her student aid into a checking account. Prorate that aid over the period for which it is intended, such as a semester. Don't count it as an asset. If you did, you would be considering more money than is actually available to the group.

11.04.09
Tools & Other Work Related Equipment

Disregard the value of tools or other equipment essential to the employment or self-employment of a FS group member. Examples of essential tools are those of a mechanic, plumber, or other tradesperson, or a farmer's machinery.

11.04.10
Relocation Payments

Disregard payments from the Uniform Relocation Assistance and Real Properties Acquisition Act of 1970.

11.04.11
Reserved

11.04.12
Nutrition Benefits

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the National School Lunch Act. These are:

1. Special Milk Program
2. School Breakfast Program
3. Special Supplemental Food Program for Women, Infants and Children (WIC)
4. School Lunch Program
5. Summer Food Service Program for Children
6. Commodity Distribution Program
7. Child and Adult Care Food Program

11.04.13
LIEAP Payments

Disregard all payments provided by the Low Income Energy Assistance Program (LIEAP).

11.04.14
HUD Payments

Disregard payments from the Department of Housing and Urban Development (HUD) settling the Underwood v. Harris judgment against HUD (Civil No. 76-0469, DDC).

These payments are for retroactive tax and utility cost subsidies. Disregard them for the month in which the payment is received and the following month. Thereafter, count any remaining amount as an asset.

11.04.15
Wartime Relocation of Civilians

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

11.04.16
Alaskan Native Claims

Disregard payments including cash, stock, partnership interest, land, interest in land, and other benefits from the Alaskan Native Claims Settlement Act (PL 92-203).

11.04.17
Native American Settlements

Disregard payments to individual tribal members from these federal settlements:

1. Grand River Band, Ottawa Indians (PL 94-540).
2. Sac and Fox Indian claims agreement (PL 94-189).
3. Navajo and Hopi Tribe relocation payments (PL 93-531).
4. Confederated Tribes and Bands of the Yakima Indian Nation & Apache Tribe of the Mescalero Reservation (PL 95-433).
5. Passamaquoddy Tribe, The Penobscot Nation, and the Houlton Band of Maliseet (PL 96-420), Maine Indian Claims Settlement Act of 1980.
6. Turtle Mountain Band of Chippewas, Arizona (PL 97-403).
7. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
8. Papago tribe, Arizona (PL 97-408).
9. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
10. Red Lake Band of Chippewas (PL 98-123).
11. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
12. Chippewas of the Mississippi including these Minnesota reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
13. Chippewas of Lake Superior (PL-94-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
14. White Earth Band of Chippewas in Minnesota (PL 99-264).
15. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).

16. Seneca Nation Settlement Act of 1990 (PL 101-503).
17. Catawba Indian Tribe of South Carolina Land Claims Settlement Act of 1993.
18. 1931 Indian Child Welfare (P.L. 95-608)
19. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
20. Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act.
21. Cherokee Nation of Oklahoma Indians (Docket 262-83LO).
22. Cheyenne River Sioux Tribe
23. Crow Creek Sioux Tribe
24. Lower Brule Sioux Tribe
25. Devils Lake Sioux Tribe
26. Oglala Sioux Tribe
27. Rosebud Sioux Tribe
28. Shoshone-Bannock Tribes
29. Standing Rock Sioux Tribe

Disregard the first $2,000 of individual shares for the following:

1. Old Age Assistance Claims Settlement Act (PL 98-500).
2. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
3. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
4. Maricopa Ak-Chin Indian Community (Dock 235).
5. Wichita And Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
6. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima-Maricopa Indian Communities (Docket 228).
7. Rincon Band of Mission Indians (Docket 80-A).
8. Walker Paiute Tribe (Docket 87-A).
9. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, and 73-A).

11.04.18
Earned Income Tax Credit (EITC)

Disregard any Earned Income Tax Credit (EITC) payments received by participating FS group members for 12 continuous months from the month of receipt. "Twelve continuous months" include breaks in participation of one month or less because of administrative reasons. If there is a break of more than one month, count the remaining EITC as an asset.

Example. John, a FS recipient, received a $1,000 EITC lump sum payment in January and deposited it in his savings account. In March, he is ineligible for benefits for failure to submit his Monthly Reporting Form. In April, John is once again eligible for benefits. Continue to disregard the $1,000 EITC payment through December.

11.04.19
Wisconsin Higher Education Bonds

Wisconsin Higher Education Bonds are sold by the state to the public as a way to save for a higher education. To determine their net value as an asset, subtract broker's fees from market value.

1. The bonds also may be sold back to the state within certain time restraints. If the bonds are sold back:
   a. Before the maturity date, a portion of their value is withheld. The amount withheld equals the school's tuition and fees. Any excess goes to the person.
   b. On or after the maturity date, the value is the total amount received.
2. The bonds may be sold on the "secondary" bond market at any time. Since they can be disposed of on the market with no time limit, they are an available asset. Compute net value as: market value - broker's fees. (Verify the amounts through a broker.)

11.04.20
Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange product liability Settlement Fund litigation, M.D.L. No. 381 (E.D.N.Y.)" as assets. Continue to disregard the payments for as long as they are identified separately. **Apply this disregard retroactively to 1-1-89.**

11.04.21
Radiation Exposure Compensation Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to persons to compensate injury or death resulting from exposure to radiation from nuclear testing ($50,000) and uranium mining ($100,000). When the affected person is dead, payments are made to the surviving spouse, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to disregard the payments for as long as they are identified separately. **Apply this disregard retroactively to 10-15-90.**

11.04.22
Loans

Count any loan to a FS group member as an asset, even if the FS group member anticipates spending it in the same month.

11.04.22.01
Loan Repayments

Count the principal of a loan repayment to a FS group member from a NonFS group member as an asset.

11.04.23
Savings Accounts

Count money deposited in a savings account.

11.04.24
Life Insurance

Disregard the cash value of any life insurance policies.

11.04.25
Crime Act of 1984

Disregard as an asset payments to crime victims under the Crime Act of 1984.

11.04.26
Checking Accounts

Count funds deposited in any checking account.

11.04.27
Cash

Count any cash on hand as an asset.

11.04.28
US Savings Bonds

Count the cash value of a US Savings Bond unless it is unavailable. A bond is unavailable only if the FS group proves it tried to cash the bond and was refused.

11.04.29
Nonrecurring Lump Sum

Count nonrecurring lump sums beginning with the month of receipt. See 12.2.11.

11.04.30
Interest Income

Count interest, dividend, and royalty income as an asset if not received directly.

Example. Mary has a CD. She receives an interest check every time the CD matures. The interest is income. If she leaves the interest to accumulate, count it as an asset.

11.04.31
Veteran's Administration Disability Pension Payments

Disregard the annual adjustment in a VA disability pension as an asset in the month the group receives it. The VA usually makes this benefit adjustment in October.

11.04.32
SSI PASS Accounts

Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) as an asset regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.

The SSA must approve the individuals PASS in writing, identifying the amount of income that shall be set aside each month to fulfill the PASS.

It is the households responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.

11.04.33
Nazi Persecution Victims

Disregard as an asset payments under PL 103-286 to victims of Nazi persecution.

11.04.34
Native American Trust Funds

Disregard up to $2000 per calendar year held by an individual native American which is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs. See 11.2.5.

11.05.00
Divestment

The FS group isn't eligible if a member has given away assets:

11.05.01
General Rule

1. Within 3 months before the date of application or while receiving FS **and**,
2. The reason for transfer was to become or remain eligible for FS.

11.05.02
Burden of Proof

Assume the transfer was for less than full value. It is the FS group's responsibility to prove the reason for the transfer was other than to create or continue eligibility.

11.05.03
Family Members

Transfers of assets between family members must meet the burden of proof (11.5.2). The rule does not apply if the transfer was between family members in the same FS group.

11.05.04
Transfers

Some assets are countable except you've found them unavailable. Thus, you are not adding them to the FS group's asset total. A transfer of these assets is a divestment.

The following transfers are not divestments:

1. Assets that wouldn't otherwise affect eligibility.
2. Assets sold or traded at or near their FMV.
3. Assets transferred between members of the same FS group.
4. Assets transferred between ineligible aliens or ineligible persons and the FS group when the persons are all within the same household.

   Ineligible persons include: IPV's, SSN violators, work program violators, and those with questionable citizenship.
5. Assets given away for reasons other than to qualify for or keep FS eligibility.
6. Disclaimed inheritance. An inheritance is disclaimed under s. 853.40, Wis. Stats A disclaimer occurs when a beneficiary renounces any claim to an inheritance. A disclaimer is not a divestment as the person disclaiming never gains ownership of the disclaimed asset.

The disclaimer must be filed in the probate court having jurisdiction. It is also filed in the office of the register of deeds in the county in which any real estate is located.

11.05.04.01
Gift Availability

To count a gift, the giving of the gift must be complete. The elements completing the giving of a gift are:

1. The person's intention to make a gift.
2. Delivery of the property, such as cash, savings account passbook, and CD.
3. The end of the owner's control over the property or his/her separation from the property.

11.05.05
Period of Ineligibility

Use the Disqualification Chart (18.5.0) to determine the ineligibility period.

First, add the value of the divested assets to other countable other countable assets. Determine how much this total exceeds the FS group's asset limit.

Example follows on next page.

Example. A 1 person group with $1,250 in savings transferred the ownership of its car worth $5,500 to a person not in the same FS group. As calculated:

$5,500 = value of transferred car
- 4,500 = disregarded fair market value
------- (Vehicles Unit)
$1,000 = countable divested value
+1,250 = group's existing assets

$2,250 = total of group's assets and divested value
- 2,000 = group's asset limit

$ 250 = divested value in excess of group's limit used in calculating the FS disqualification period.

Disqualify the group for 3 months.

The period of ineligibility begins at either:

1. The month of application, or
2. The first allotment issued after the notice of adverse action period has expired in an ongoing FS case, unless a Fair Hearing and continuation of benefits is requested.

12.01.00
General

Income is any gain or benefit you can use to purchase goods and services. There are 2 types of income: earned and unearned. To be financially eligible the FS group must not exceed income limits.

Eligibility and benefit calculations for FS are based on prospectively budgeted income using estimated amounts. Use the best information available.

Income that is received on a yearly basis, and is predictable in both amount and frequency may be converted to a monthly amount.

Income that is received regularly, but in varying amounts must be averaged.

Income that is received on an irregular basis must be averaged over the period between payments. If neither the amount of the income or the frequency of the income can be predicted, do not average; count only the income for the month in which it is expected to be received.

12.01.01
Disregard Definition

Disregard means "don't count". Although disregarded as income, not all unearned income is ignored in determining eligibility. It may be an asset, such as a non-recurring lump sum.

Example. Meg receives a rental security deposit. Disregard the refunded security deposit as income, but count it as an asset.

12.01.02
Deem Definition

Deem means allocate income, and/or assets to someone from someone else. Deeming occurs regardless of whether the allocated amounts change hands.

12.01.03
In Kind Benefits

Disregard any gain or benefit that isn't in the form of money paid directly to the household. Examples of these in-kind benefits are meals, clothing, housing, and garden produce.

12.01.04
Calendar Quarter

Calendar quarter: 3 consecutive months beginning with January, April, July or October. They are:

1. January, February, and March.
2. April, May, and June.
3. July, August and September.
4. October, November and December.

12.02.00
Unearned Income

Generally, unearned income is income not gained by work or delivery of a service or product. Count all unearned income unless told otherwise. Unearned income isn't counted at times because of its source, type, or the reason for giving it.

12.02.01
Monthly Income Rule

Count unearned income as income in the month that it is received, except when:

1. It isn't available to the FS group.
2. You're told otherwise by specific instructions in this Handbook.
3. Two payments from the same income source are received by the FS group in the same month due to mailing cycle adjustments. Count each payment only for the month it is intended.

Income sources commonly affected by such mailing cycle fluctuations include general assistance, other public assistance programs, SSI, and SSA benefits.

Example. SSA mails checks (other than SSI) so the person gets them on the 3rd. When the 3rd falls on a weekend or holiday, SSA advances its mailing cycle so the person will get the check before the 3rd.

As a result, someone may receive 2 months' benefits in 1 month. In this case, the 1st payment was intended for the month it was received and the 2nd is for the next month. Count 1 payment for each month.

12.02.01.01
Changes to Monthly Unearned Income

The FS group must report a change of more than $25.00 a month in unearned income or a change in source of the unearned income.

Both changes must be reported to the FS Agency within 10 days of the date the change is known to the household.

12.02.02
HUD & FMHA Payments

Disregard rent paid by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FMHA) directly to a landlord as income. Don't include these payments as a deduction in the Shelter/Utilities Computation Unit. Only include as a rent expense what the household owes to the landlord after the HUD and FMHA payments.

Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.

Disregard HUD and FMHA utility reimbursement payments made directly to a household or utility provider as income.

If the utility allowance included in the FMHA payment is more than 30% of the household's adjusted income, the landlord must forward the difference to the client. Count the difference as unearned income.

12.02.02.01
HUD Payments On Behalf of Native Americans

Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the FS group.

12.02.02.02
Family Investment Centers Program

Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents.

Disregard as income services provided to a public housing resident under a Family Investment Centers program. Services include:

1. Child care,
2. Employment and training counseling,
3. Literacy training,
4. Computer skills training,
5. Assistance in attaining certificates of high school equivalency, and
6. Other similar services.

12.02.03
Charity

Private, nonprofit charitable agencies include the Salvation Army, St. Vincent de Paul, Community Action Agency, and church groups.

In a calendar quarter, disregard the first $300 received by a household from any private, nonprofit charitable agency. If the application is after the 1st day of a calendar quarter, include the entire quarter in computing the excess. Count any amount over $300 as unearned income. Start in the month in which the overage first shows.

Example. In April a food unit receives $100 cash from Agency X. In May it gets another $100 in cash from Agency X. In June it gets $250 cash from Agency Z. The calendar quarter total is $450. Disregard the first $300. Count the remaining $150 as unearned income received in June.

Example. A household received $80 from a private, nonprofit charitable agency in January, $250 in February, and $210 in March. Include the entire January payment in the calculation, even though received before the unit's application date of 1-23-91. The total $540 for January, February & March is subject to the policy: $540 - $300 = $240.

12.02.04
Irregular Income

Disregard income of $30 or less each calendar quarter if received too irregularly to be anticipated. Apply this disregard only to prospectively budgeted cases.

If income is irregular as to the amount and frequency of payment, do not average the amount over the periods between payments. Count the income only for the month it is expected to be received. If its receipt cannot be anticipated by the client, disregard the payments.

12.02.05
Educational Loans

See 7.0.0 Count educational loans on which repayment is & Grants deferred.

12.02.06 Loans	Disregard any loan to the FS group. This includes loans from private individuals and commercial institutions.
12.02.06.01 Loan Repayments	Count the principal of a loan repayment to a FS group member from a NonFS group member as an asset. Count the interest of a loan repayment to a FS group member from a NonFS group member as unearned income.
12.02.07 Reimbursements	Count reimbursements for normal household living expenses such as rent, mortgage, personal clothing, and food eaten at home. These are counted because they are a gain or benefit. Disregard a reimbursement for an identified expense, other than normal household living expenses, and used for the purpose intended. Assume a reimbursement does not exceed an actual expense unless the provider or FS Group says the amount is excessive. If the amount exceeds the actual expense, count the excess as income.
12.02.07.01 E&T	Disregard reimbursements or flat allowances for job or training related expenses. Expenses may be for travel, daily allowance, dependent care, uniforms, and transportation to and from a job or training site, including travel expenses of migrant workers. Disregard expenses related to participation in the JOBS training program.
12.02.07.02 Volunteers	Disregard reimbursements for a volunteer's out-of-pocket expenses incurred in the court of his/her volunteer activities.
12.02.07.03 Medical & Dependent Care	Disregard reimbursements for medical or dependent care. Examples are payments from the MA Community Integration Program (CIP), such as buying a seeing eye dog.
12.02.07.04 SS Block Grant	Disregard reimbursements for services provided by the Social Services Block Grant Program.
12.02.07.05 Educational	Disregard educational expense reimbursements.
12.02.07.06 JUMP Start	Disregard reimbursements from the Indianhead Community Action Agency (Ladysmith) under its JUMP Start Program for start-up costs to establish a child care business in the person's home.
12.02.07.07 Landlord Reimbursements	A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through his/her meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.

12.02.08
Third Party Payments

When a FS group member is also a protective payee, disregard the money s/he receives for the care and maintenance of a third party who is not in the FS group. However, count any portion of the money the member spends for its own household's needs as income to the protective payee.

If a single payment is for the care of a FS group member and a third party not in the FS group, disregard the portion of the payment intended for the third party. When you can't identify each person's portion, prorate the payment equally.

12.02.09
Dependent Care Payments

Disregard dependent care payments as income for a group member's care when a county agency:

1. Pays a dependent care provider directly.
2. Reimburses the FS group after the group has incurred or paid a dependent care expense.

12.02.10
Reserved

12.02.11
Nonrecurring Lump Sums

Disregard money received as a nonrecurring lump sum payment as income. A nonrecurring lump sum is a payment received only once. Count it as an asset in the month the FS group receives it (11.4.29)

Types of nonrecurring lump sum payments include:

1. Income tax refunds, rebates, or credits.
2. Retroactive lump sum insurance settlements.
3. Retroactive UC payments.
4. Utility or rental security deposit refunds.
5. Retroactive SS or public assistance payments.
6. Retroactive Caretaker Supplement for Children (C-Supp).

When a combination of current and lump sum payments are received at once, the current amount is income and the nonrecurring amount is an asset.

Example. A group member receives SSA benefits. In June, she gets a $950 check. $430 is for the current month (June) and $520 is a retroactive payment for underpayments in February and March. The $430 is income and the $520 is an asset.

12.02.11.01
Lump Sum Installment Payments

A recurring payment, received in two or more monthly installments, is income. Exceptions are EITC and SSI Retroactive Installment Payments.

12.02.11.02
EITC

Disregard EITC payments as income (11.4.18).

12.02.11.03
SSI Retroactive Installment Payments

Disregard retroactive SSI payments which are paid in installments.

Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in 3 or fewer installments at 6 month intervals. Each installment payments should be counted as an asset under 11.1.0.

Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum, which should be counted as an asset under 12.2.11:

1. A person who has a medical impairment which is expected to cause death within 12 months.
2. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.

12.02.12
Educational Trust Funds

Disregard income produced by an educational trust that you excepted in the Asset Unit.

12.02.13
Domestic Volunteers Services Act

Disregard income from Title I of the Domestic Volunteers Services Act only when the volunteer received FS time s/he joined the Title I program. Interruptions in FS participation do not alter this disregard. If this exceptions doesn't apply, count Title I income as earned income.

12.02.13.01
Title I Programs

Title I programs include:

1. VISTA
2. University Year for Action
3. Urban Crime Prevention Program

Example. A FS recipient joins VISTA. S/he goes to training and does not receive FS for 2 months. S/he returns and reapplies. Disregard the VISTA income because s/he was receiving FS when s/he joined VISTA.

Some households were receiving the disregard for a Title I program at the time of conversion to the Food Stamp Act of 1977. Continue the disregard for the same time frame they said they would volunteer for at the time of conversion.

12.02.13.02
Title II Programs

Disregard all Title II program income. These programs include:

1. Retired Seniors Volunteer Program (RSVP)
2. Foster Grandparents Program
3. Senior Companion Programs

12.02.14
Reserved

12.02.15 LIHEAP Payments	Disregard payments and allowances made by the Low Income Energy Assistance Program (LIHEAP).
12.02.16 COP Payments	Disregard Community Options Program (COP) payments. But if a household member is receiving COP payments for providing services, count the money as earned income for the providing the service.
12.02.17 Relocation Related Benefits	Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 92-646, Section 216).
12.02.18 Wartime Relocation of Civilians	Disregard payments under PL 100-383 to US citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.
12.02.19 Alaskan Native Claims	Disregard all compensation including cash, stock, partnership interest, land, interest in land, and other benefits received from the Alaskan Native Claim Settlement Act.
12.02.20 Native American Trust or Restricted Lands	Disregard up to $2000 per calendar year of income received by an individual native American which is derived from land held in trust or in restricted status, when determining eligibility and benefit levels. Disregard income from certain submarginal land of the US held in trust for certain Indian tribes (PL 94-114, Section 6).

12.02.21
Native American Payments

Disregard payments to individual tribal members from these federal settlements:

1. Grand River Band, Ottawa Indians (PL 94-540).
2. Sac and Fox Indians claims agreement (PL 94-89).
3. Navajo and Hopi Tribe relocation payments (PL 93-531).
4. Confederated Tribes and Band of the Yakima Indian Nation & Apache Tribe of the Mescaler Reservation (PL 95-433).
5. Passamaquoddy Tribe, the Penobscot nation, and the Houlton Band of Maliseet (PL96-420), Maine Indian Claims Settlement Act of 1980.
6. Turtle Mountain Band of Chippewas, Arizona (PL 97-408).
7. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
8. Papago tribe, Arizona (PL 97-408).
9. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
10. Red Lake Band of Chippewas (PL 98-123).
11. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
12. Chippewas of the Mississippi including these Minnesota Reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
13. Chippewas of Lake Superior (PL 99-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
14. White Earth Band of Chippewa in Minnesota (PL 99-264).
15. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
16. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
17. Catawba Indian tribe of South Carolina Land Payments Claims Settlement Act of 1993.
18. 1931 Indian Child Welfare (PL 95-608).
19. Seneca Nation Settlement Act of 1990.
20. Confederated Tribes of the Colville Reservation grand Coulee Dam Settlement Act.
21. Cherokee nation of Oklahoma Indians (Docket 262-83LO).
22. Cheyenne River Sioux Tribe.
23. Crow Creek Sioux Tribe.
24. Lower Brule Sioux Tribe.
25. Devil's Lake Sioux Tribe.
26. Oglala Sioux Tribe.
27. Rosebud Sioux Tribe.
28. Shoshone-Bannock Tribes.
29. Standing Rock Sioux Tribe.

Disregard the first $2,000 of individual shares for the following:

1. Old Age Assistance Claims Settlement Act (PL 98-500).
2. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
3. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
4. Maricopa Ak-Chin Indian Community (Dock 235).
5. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
6. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima-Maricopa Indian Communities (Docket 228).
7. Rincon Band of Mission Indians (Docket 80-A).
8. Walker Paiute Tribe (Docket 87-A).
9. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, &73-A).

12.02.22
Nutrition Benefits

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the national School Lunch Act. These are:

1. Special Milk Program.
2. School Breakfast Program.
3. Special Supplemental Food Program for Women, Infants and Children (WIC).
4. School Lunch Program.
5. Summer Food Service Program for Children.
6. Commodity Distribution Program.
7. Child and Adult Care Food Program.

12.02.23
Repayments

Repayments are moneys that are paid back either voluntarily or involuntarily from some other program's benefits. Intentional failure to comply with program requirements is determined by the authorities for that program. Contact those authorities to determine the reason for repayments. Use the amount that would have been paid before the penalty to determine eligibility and allotment.

1. When a repayment is due to an intentional failure to comply with program requirements, count any portion of that program's benefit that is withheld as a repayment.

Example. The FS group receives W-2. $35 a month is withheld from the group's W-2 payments to repay its intentional violation of W-2 rules. Include the $35 monthly recoupment as part of the W-2 grant.

2. Disregard repayments (not due to IPV) from benefits payable to the FS group:
    n. Withheld from a means-tested assistance payment or other source of income due to an overpayment.

    An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include AFDC, W-2, RAP, SSI and GA.

Example. Kim received an overpayment of $100 from AFDC (not due to IPV). She has $10 a month withheld from her AFDC check to repay the overpayment. Disregard the $10 monthly until the $100 is repaid.

b. Paid out of pocket to repay a prior non-means tested overpayment received from that source.

Example. Val receives a $20 overpayment from Social Security. SS income is not means tested. Val cashes her SS check and uses the money to repay the $20 overpayment. Disregard the $20. If she used the $20 to repay other types of overpayments, such as VA or AFDC, count it as income because the repayment isn't from the same source.

c. Disregard no more than the current payment from that source. Disregard income that is mixed with other types of income and used to repay an overpayment back to the source of the income.

Example. Ted receives $50 each month in VA benefits and $250 in Social Security benefits. The VA overpaid him by $200. If he pays back $50 each month to the VA, don't budget the $50 as income. If he pays back $75 each month, disregard only $50. Budget the remaining $25 because it isn't money from the source of the overpayment. Remember that his VA benefits are only $50 a month. The $25 is probably from his Social Security benefits.

12.02.24
Disaster & Emergency Assistance

Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations.

12.02.25
Child Support (CS)

Count CS and maintenance payments made directly to the FS group, or passed through to the FS group by a CS agency, whether court ordered or voluntary.

12.02.25.01
CCS Agency

Disregard CS payments received directly from an absent parent by a FS group if the money is turned over to the CCS agency. Disregard CS payments retained by a CS agency.

12.02.25.02
CS DEFRA Disregard

For the W-2 Program Child Support Control Group, 41% up to $50 of a current child support collection is disregarded and a DEFRA disregard check is issued to the W-2 group. Count this check as unearned income for the month in which it is received by the client.

If more than one disregard check is received in a month, count the check amount for the most recent CS collection as unearned income. Treat any additional check for previous months as a nonrecurring lump sum (12.2.11).

12.02.25.03
CS Refund

The amount of CS collected by the state on behalf of a W-2 group is compared to the W-2 payment. If the CS collection (minus the disregard) on the current obligation exceeds the monthly W-2 amount, a refund is issued to the W-2 group. Count this CS refund as unearned income.

If more than one month is received count only one month as unearned income. Treat the additional amount as nonrecurring lump sum (12.2.11).

12.02.26
[Reserved]

12.02.27
Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation MDL No. 381 (EDNY).

12.02.28
Radiation Exposure Compensation Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing ($50,000) and uranium mining ($100,000). Apply this disregard retroactively to 10-15-90. Continue the disregard as long as payments are identified separately.

12.02.29
Wisconsin Family Support Program

The Wisconsin Family Support Program provides funding for severely disabled children. Payments are vendored or made directly. Disregard these payments to the FS group. Don't confuse this program with "family support", a court ordered obligation (s. 767.262, Wis. Stats.) that combines child support and maintenance.

12.02.30
Non-Food Unit Members

Do not count income of persons living in the household who are not members of the food unit. (See 14.0.0 and 15.0.0 for special instructions for aliens and ineligibles).

Count any contribution made by the non food unit member as unearned income to the FS group.

Example. Cal, a non FS group member, has income of $600 a month. he doesn't contribute anything to the FS group. Don't count his income.

Cal starts contributing $200 a month to the FS group. Count the $200 as unearned income to the FS group.

12.02.32
Sick & Severance

Count any moneys received for sick or severance pay from income continuation or insurance as unearned income.

12.02.33
SSI

Count SSI income (12.2.11).

12.02.33.01
SSI PASS Accounts

Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.

The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS.

It is the household's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.

12.02.33.02
SSI/OASDI Representative Payee

A qualified organization may collect a fee for acting as the representative payee for an SSI or OASDI recipient. Disregard the amount withheld from the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.

12.02.33.03
SSI-E Payments

Count certain SSI-E (Supplemental Security Income-Exceptional Expense Supplement) payments as unearned income.

Verified expenses which meet all the following criteria can be deducted from SSI-E payments.

1. The payment is for a past or future expense.
2. The payment is not in excess of the actual expense.
3. The payment is not for a normal household living expense.
4. The payment is used for the intended purpose.

Example: If the need for which the "E" payment was made is attendant care, but he payment is actually spent on a monthly loan installment, do not allow the deduction.

Example: If the actual expense is $45.00 by the "E" payments is $50.00, only the smaller amount may be deducted.

	Verify the claimed deductions at application, review, and when a change occurs. Manually deduct the verified expense(s) specified above from the SSI-E payment before entering the balance into CARES on AFUI under "SISI". Document your actions in case comments.
12.02.34 Unemployment Compensation	Count Unemployment Compensation (UC).
12.02.35 General Relief	Count General Relief (GR), including work relief. Disregard GR vendor payments made to homeless people in transitional or temporary housing (2.2.0).
12.02.36 Social Security	Count Social Security income. Add any Medicare premium to the payment actually received.
12.02.37 Profit Sharing	Count income from recurring profit sharing payments.
12.02.38 Trust Funds	Count moneys withdrawn or dividends that are or could be received from an exempt trust fund.
12.02.39 Interest, Dividends & Royalties	Count interest, dividend, and royalty payments as income if received directly. An interest check for a CS is an example. See 11.4.30.
12.02.40 Gifts	Count monetary gifts over $30 a calendar quarter as unearned income.
12.02.41 VA Disability/Private Pension Payments	Count VA disability pension adjustments as income in the month received. Count the gross amount of private disability payments as unearned income in the month received.
12.02.42 Dottie Moore Penalty Payments	Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by DHSS to any AFDC applicant or recipient. These $50 to $200 penalty payments have been ordered by the US District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

12.02.43
Installment Contracts

Count any money received from an installment contract as unearned income. You may:

1. Count the income in the month received, or
2. Average it over the number of months between payments. For example, average a quarterly payment received in January over January, February and March.

The FS group must choose one of the above methods. Document the choice in the case record.

12.02.44
Land Contract

Income from a land contract is unearned income. Deduct expenses (for example, taxes) the person must pay by the contract's terms from the gross amount. If received less often than monthly, prorate it over the period between payments. Ignore it until s/he first receives it after becoming eligible.

12.02.45
Worker's Compensation

Worker's Compensation payments are awarded to an injured employee or his survivors under Federal or State Worker's Compensation programs and the Longshoremen and Harbor Worker's Act. The payments may be made by a Federal or State agency or an insurance company.

Count Worker's Compensation benefits as unearned income.

12.02.46
Nazi Persecution Victims

Disregard as income payments under PL 103-286 to victims of Nazi persecution.

12.02.47
Crime Act of 1984

Disregard as income payments to crime victims under the Crime Act of 1984.

12.02.48
Annuities and Lottery Winnings

Count annually paid annuities and lottery winnings as income by averaging they over 12-months. Do not count the entire amount in the month received.

12.02.49
Children of Vietnam Veterans Allowance For Spina Bifida

Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born With Spina Bifida (PL 104-204). These payments are made to any child for a Vietnam veteran for any disability he or she experiences resulting from the spina bifida. Apply this disregard retroactively to 9-26-96. Continue this disregard as long as payments are identified separately.

12.02.50
W-2 Payments

Count W-2 payments received under W-2T, or CSJ, or as the custodial parent of an infant, as unearned income.

12.02.51
W-2 Trial Job Wages

The employer subsidy portion of W-2 Trial Job wages is counted as unearned income. Subtract the employer subsidy from the gross Trial Job Wages. The resulting amount is earned income and entitled to the Earned Income Deduction. CARES work around: make no entry on AFEI. Multiply the earned income portion by 80% (gross minus subsidy x 80%), add the result to the employer subsidy amount and enter the total on AFUI as OTFS.

12.02.52
Caretaker Supplement for Children

Count Caretaker Supplement for Children (C-Supp) payments as unearned income.

12.02.53
Kinship Care

Count Kinship Care payments as unearned income.

12.03.00
Earned Income

Generally earned income is gained from the performance of service, labor, or work. Earned income includes, but isn't limited to salaries, wages, commission, tips, or payments for services. Count earned income unless told otherwise in this Handbook.

12.03.01
Monthly Income Rule

Count earned income only for the month in which it is received, except as provided below.

Example. Bill works in February but doesn't receive his pay for those hours until March. Count those wages for March.

12.03.01.01
Exceptions

Some persons receive their earned income on less than a regular monthly basis. Considerations other than the month in which the income is received are then most important.

12.03.01.02
Changes To Earned Income

FS groups with earned income and a 3-month certification must report a change in:

1. The source of the income.
2. Salary or wage rate.
3. Full-time or part-time employment status as defined by the employer.

Changes must be reported to the FS agency within 10 days of the date the change is known to the household.

Workers must act on all reported changes.

12.03.02
Withheld Wages

Count wages withheld at the requests of the employee as income in the month it would normally have been received.

Disregard wages withheld as a general practice by an employer (even if in violation of law) until actually received by the employee.

12.03.03
Wage Advances

Count advances on wages as earned income in the month received.

12.03.04
Verification

See the IMM I,C.

12.03.05
Military Pay

Military pay cycles affect how income is counted. Count any income received on the last day of a month by an active member of the military as income in the following month.

Payment is issued the first day of the following month. When the first day of the following month is a holiday or weekend day, the payment is issued the last day of the current month (the month the income was earned).

Example. Bev would receive her second payment for August on September 1. September 1 is a Sunday, so the payment is issued to her August 31. The income month is September.

12.03.05.01
GI Bill

All military personnel fund the GI bill through mandatory payroll deductions in their first year of service. Disregard these deductions.

12.03.06
Contractual Income

Contractual income guidelines usually apply to teachers and other school employees.

Contractual income which is received from employment covered by an annually renewed contract should be averaged over a 12 month period, even if wages are only paid during the work period. Average the income even if predetermined non-work periods are in the contract, such as vacations or sabbaticals.

Contract income which is not the FS group's annual income should be averaged over the period the income is intended to cover.

Example: Sara is a student and works part-time. She enters into a contract with head of the chemistry department to do the bibliography and annotations on his latest book for the sum of $800.00. Under the terms of the contract, Sara must complete the work within three months. Pro-rate the $800.00 in income over three months.

Income from piece work or hourly work is not contractual income. Do not treat it as such.

12.03.07
Farm & Self Employment

See 13.0.0 for instructions on calculating earned income from farming and self-employment.

12.03.08
Migrant Farm Workers

Migrant farm workers who receive FS are exempt from the MRRB requirements (IMM II, E). Don't assume, without supporting documentation or collateral contacts, that a migrant farm worker works 40 hours a week.

To determine migrant farm income:

1. Get a copy of any existing work agreement,
2. Contact the employer when necessary to find the hours of work and wage rate,
3. Ask the migrant how many hours s/he and members of his/her family expect to work and the wage rate they expect to be paid.

Most migrants work in fairly stable work environments such as canning factories or under some type of contract. In these cases, determine the employer's usual pay levels and pay periods, and project the hours and the rate of pay expected.

12.03.08.01
Migrant Emergency Assistance

Disregard Emergency Assistance (OPM) or emergency General Assistance when either is given a migrant or seasonal farm worker FS group if:

1. The payment is provided to a 3rd party (vendored) on behalf of the migrant or seasonal farm worker; and,
2. The FS group was in the job stream when it was provided.

In all other instances see 12.4.0 .

12.03.09
Repayments

Disregard earned income used to repay an overpayment received earlier from that same source. Don't disregard more than the current amount of payment from that source.

Disregard earned income for this reason even if the earning are mixed with other types of income and used to repay an overpayment.

Example. Jill works part-time for $50 (net) a month and receives $250 a month in Social Security (SSA) benefits. She is overpaid by her employer's error by $200. If she pays back $50 a month to the employer, don't court that $50. If she pays back $75 a month, only $50 (equal to her regularly received earned income from the overpayment source) is not counted. The other $25 is paid from her SSA benefit and is counted.

12.03.10
Blood Or Plasma Sales

Count money received form the sale of a person's blood or plasma as earned income.

12.03.11
Senior Community Service Employment Program

Disregard income from the Title V Senior Community Service Employment Program (SCSEP) of the Older Americans Act. These organization receive Title V:

1. Green Thumb Program.
2. National Council on Aging.
3. National Council of Senior Citizens.
4. American Association of Retired Persons.
5. U.S. Forest Service.
6. National Council on Black Aging.
7. National Urban League.
8. National Association for Spanish Speaking Elderly.

12.03.12
Job Training Partnership Act (JTPA)

Disregard any allowances, earning (except On The Job Training) or payments to FS group members participating in JTPA programs.

12.03.12.01
JTPA On The Job Training (OJT)

Count earnings from JTPA On The Job Training when the earner is either:

1. At least 19 years old; or,
2. Less than 19 years but not under the parental control of a member of the same food unit.

Disregard the earnings when the earner is less than 19 and is under the parental control of a member of his/her food unit.

Disregard On The Job Training payments from the JTPA Summer Youth Employment and Training Program.

12.03.13
Rental Income

Count income from real property rental when the owner is actively engage in its management at least an average of 20 hours a week as earned income. Otherwise count it as unearned income.

Only count the net amount of the income (the gross receipts less costs of generating the income). Use 13.4.2 to net this income.

12.03.14
Training Allowances

Count any training allowance from a vocational or rehabilitative program recognized by a governmental agency that isn't an expense reimbursement as earned income.

12.03.16
Nonrecurring Lump Sum Payments

Disregard earned income received as a nonrecurring lump sum payment. Count this income as an asset beginning with the month of receipt.

12.03.17
Earned Income Tax (EITC)

Disregard as earned income any Earned Income Tax Credit (EITC) payments received by members of the FS group (11.4.18).

12.03.18
Jury Duty Payments

Since the method of payment for jury duty varies by jurisdiction, determine the specific manner in which an individual is being compensated before deciding how to count it. Count any portion of the payment which is over expenses as earned income, to be budgeted in the month received, assuming payment is made within the jurisdiction's usual payment is paid beyond this period.

If all or a portion of the jury duty payment is attributable to expenses incurred while serving (such as transportation costs), disregard this portion as a reimbursement (12.2.7).

12.03.19
Baby-sitting

Count any money received as payment for baby-sitting or child care as self-employment income if the care is provided in the FS group's home. See 13.0.0.

If the care is not provided in the member's home, count the payments as regular earned income.

12.03.20
Sick & Severance Pay

Count any moneys received for sick days and severance pay from an employer or union as earned income. See 12.2.33.

12.03.21
Students

Disregard earned income of any person 17 years or younger, who is a household member under parental control of an adult household member and attending elementary or high school at least half-time. This includes GED classes, and home schools recognized or supervised by the state or local board of education.

Disregard the income until the month following the month in which the person turns 18 years of age.

These provisions apply to semester and vacation breaks provided the student plans to return to school following the break.

12.03.22
Boarders

Count the boarder's income and assets only if s/he is a member of the food unit (1.4.0).

12.03.23
Reserved

12.03.24
Wages

Count any wages, tips, or salaries as earned income.

12.03.25
Governor's Central City Initiative

Count any hourly income from participation in this program as earned income. This program is only in Milwaukee county.

12.03.26
National & Community Service Trust Act

Disregard allowance, earnings, and payments to participants in the National & Community Service Trust Act of 1993 (NCTSA). Programs included in this act are:

AmeriCorps Network of Programs - The network of programs developed to engage Americans in a year or two of national service in exchange for an education award of $4,725 per year of completed service.

The AmeriCorps Network of Programs include:

AmeriCorps*USA - for participants 17 years and older;

AmeriCorps*VISTA - for participants 18 years and older; and

AmeriCorps*NCCC - for participants 16 to 24 years of age.

Count AmeriCorps Program payments made which include earnings to certain individuals participating in JTPA On The Job Training (12.3.12.1). However, disregard On-The-Job Training (OJT) payments from the JTPA Summer Youth Employment and Training Program.

Serve-America - The program involves school aged youth in community service, recruits adult volunteers in the schools, and provides service training in elementary and secondary schools.

Higher Education Innovative Projects - Institutions of higher education integrate service into the curriculum, develop teacher and volunteer training programs, and involve students in community service.

American Conservation and Youth Service Corps -Teenagers and young adults receive job and skill training, living allowances and scholarships as they provide community service. Special corps members, such as senior citizens, may be included if they provide special skills to the program.

National and Community Service Programs - Employees are age 17 or older and work full-time or part-time. They received education or housing benefits upon completing their term.

12.03.27
W-2 Trial Job Wages

To budget W-2 Trial Job wages, see Section 12.2.51.

12.04.00
Vendor Payments

A vendor payment is diverted by the provider of the payment to a 3rd party for an expense of the FS group.

Vendor payments may be counted or disregarded as income. Ask, "Is the vendor payments something legally obligated to the FS group?" If yes, count the vendor payment or benefit as income.

Examples of vendor payments counted as income are:

1. Garnished wages paid to a 3rd party for a FS group's debts or expenses such as rent.
2. AFDC and GR payments that aren't paid directly to the recipient. These include vendored or vouchered payments and those paid to a protective payee. Count them as unearned income.
3. Vendored AFDC and GR payments made to a third party for homeless FS groups living in transitional or temporary housing (2.2.0).
4. Money deducted or diverted from a binding written support or alimony payment to a 3rd party for a FS group's expense. This includes court ordered support or alimony payments.
5. Educational loans on which payment is deferred, grants, scholarships, fellowships, Veteran's educational benefits and the like, provided to a 3rd party on behalf of the FS group for living expenses such as rent or mortgage, clothing or food eaten at home.
6. Unemployment compensation benefits intercepted by CS agencies.

13.01.01
Income

Self-employment income is income earned directly from one's own business rather than as an employee with a specified salary or wages from an employer.

13.01.02
Business

A business is an endeavor engaged in as a means of livelihood such as a trade, profession or other operation that produces income, including farm and rental income.

13.01.03
Operating

A business is operating when it is ready to function for its specific purpose. It is operating from when it first opens and generally continues uninterrupted to the present.

A business is operating if it is ready for business, even if there are no sales and no work is being performed. Thus, a seasonal business operates in the off season (unless there's been a significant change in circumstances).

A business isn't operating when it can't function in its specific purpose.

Example. A mechanic can't work for 4 months because of an illness. S/he may claim the business wasn't operating for those months.

13.01.04
IM Income

IM income is income from self-employment that is adjusted when determining eligibility and benefits for economic assistance.

13.01.05
Real Property

Real property means land and most things attached to it, such as buildings and vegetation.

13.01.06
Nonreal Property

Nonreal property means all property other than real property.

13.02.0
Identify Farms and Other Businesses

You can identify a farm or other business by these criteria.

13.02.01
By Organization

It is organized in 1 of 3 ways:

1. A sole proprietorship is an unincorporated business owned by 1 person.

2. A partnership exists when 2 or more persons associate to conduct business. Each contributes money, property, labor, or skills, and expects to share in the profits and losses. Partnerships are unincorporated.

3. A corporation is a legal entity authorized by a state to operate under the rules of its charter. There may be one or because a corporation:

a. Is taxed as an entity rather than its owners being taxed as individuals.

b. Provides only limited liability. Each owner's loss is limited to his/her investment, while each owner of an unincorporated business is also personally liable.

13.02.02
By IRS Tax Forms

A self-employed person earning more than $400 annual net income must file an end-of-year federal tax return. Anyone who owes more than $400 in taxes at the end of the year must file quarterly estimates.

These are the IRS tax forms for reporting self-employment income. The source of income for a sole proprietorship is also listed for Form 1040.

1. Form 1065 - Partnership
2. Form 1120 - Corporation
3. Form 1120S - S Corporation
4. Form 1040 - Sole Proprietorship
   a. Schedule C - Business (nonfarm)
   b. Schedule E - Rental and Royalty
   c. Schedule F - Farm

13.02.03
By Employee Status

A person is an employee if s/he is under the direct "wield and control" of an employer. The employer has the right to control the method and result of the employee's service.

A self-employed person earns income directly from his/her own business, and:

1. Does not have federal income tax and FICA payments withheld from a paycheck.

2. Does not complete a W-4 for an employer.

3. Is not covered by employer liability insurance or worker's compensation.

4. Is responsible for his/her own work schedule. Examples of self-employment are:

1.Businesses that receive income regularly, for example, daily, weekly, or monthly.

a. Merchant
b. Small business
c. Commercial boarding house owner or operator
d. Owner of rental property

2. Service businesses that receive income frequently and, possibly, sporadically.

a. Craft persons
b. Repair persons
c. Franchise holders
d. Commission sales persons (for example, door-to-door sales or delivery)
e. Subcontractors
f. Sellers of blood and blood plasma.

3. Businesses that receive income seasonally.

a. Summer or tourist oriented business
b. Seasonal farmers (custom farm machine operators)
c. Migrant farm work crew leaders
d. Fishers, trappers, hunters
e. Roofers

4. Farming, including income from cultivating the soil or raising or harvesting agricultural commodities, earned by full-time, part-time, or hobby farming.

5. Fishing, crayfishing, or lobstering with gross annual proceeds or expected income of $1,000 or more.

13.03.01
Assets- Excluding Assets

Self-employment or business assets are generally income producing property.

Exclude assets directly related and essential to producing goods or services.

13.03.01.01
Profitability Test

The business must pass a profitability test as economic assistance benefits may not be used to support a failing business. Apply this test to all nonfarm operation and disregarded assets if they pass the test.

1. Any business operating for less than 3 tax years automatically passes the test.

2. If not automatically passed, the business must have:

a. Been operating at least 6 months in each of the 3 previous tax years, and

b. Shown a profit in at least 1 of the 3 previous tax years. Verify this by having the person provide completed IRS tax forms.

If the business doesn't pass the profitability test, count its assets, with the following exceptions.

1. Disregard real property while a good faith effort is made to sell it.

2. Count nonreal business assets against an asset limit as soon as they can't be disregarded as business assets.

13.03.02
Vehicles

Disregard licensed vehicles used for producing income.

13.03.03
Bank Accounts

With corporations you can easily distinguish between personal and business checking and savings accounts. A corporation is a separate legal entity and the accounts the corporation owns must be in its name. Accounts in the name of the owners are personal accounts.

In a partnership or sole-proprietorship, a cash account is a business account if the person claims that it is a business account. Disregard the account, if the profitability test is passed, even if a partner or sole-proprietor withdraws from it for personal use.

13.04.00
Income

All self-employment income is earned income, except royalty income and some rental income.

Self-employment income is income that is reported to the IRS (13.2.2) as farm, self-employment, rental, or royalty income. If it isn't reported to the IRS, you must judge if it is self employment income.

Generally self-employment is income from operating a business, related to the purpose for which the business was set up. Some other types of self-employment income are listed below.

13.04.01
Capital and Ordinary Gains

Capital and ordinary gain from selling assets: IRS taxes each with a different tax rate. However, include the entire gain or loss from IRS form 4797 in IM income.

13.04.02
Rental Income

Rental income is rents received from property owned or controlled. IM income includes gross receipts minus allowable business expenses. Rental income is earned if the owner actively manages the property on an average of 20 or more hours a week. If the owner doesn't report it to the IRS as self-employment income, add "net rent" to any other unearned income.

1. When the owner isn't an occupant, "net rent" is the rent payment received minus the interest portion of the mortgage payment and other verified operational costs.

2. When income is received from a duplex, triplex, and so on, operation and the owner lives in one of the units, compute "net rent" as follows:

a. Add the interest portion of the mortgage payment and other verifiable operational costs common to the entire operation.

b. Multiply the number of rental units by the total in step (a).

c. Divide the result in (b) by the number of units, to get the proportionate share.

d. Add the proportionate share to any operating costs paid that are unique to the rental unit. This equals total expenses.

e. Subtract total expenses from total rent payments to get net rent.

13.04.03
Royalty Income

Royalty income is unearned income received for granting the use of property owned or controlled. Examples are patents, copyrighted material or natural resources. Royalties often are a percentage of receipts from using the property or an amount for each unit produced.

13.04.04
Don't Reconcile

Don't reconcile self-employment income, even if:

1. The first 2 months are prospectively budgeted and are later shown to be inaccurate, or

2. The amount budgeted during the year differs from the amount actually shown when the year is over and IRS tax forms are available.

However, the case may still have other reconcilable income. You can recoup from someone who has withheld information about his/her income. If s/he fails to report a change on time, recoup for any month an incorrect income amount was used.

13.05.00
Calculate IM Income

Calculate IM income either by:

1. Averaging income using IRS tax forms (13.5.1.3) completed for the previous year, or

2. Calculating anticipated earnings using the Self Employment Income Report Forms (SEIRF) (13.5.2.1).

Continue to process the group through the Financial Unit after the SEIRF or IRS forms are completed.

13.05.01
Averaging Income

Average self-employment income which represents a household's yearly income over a 12 month period, even if the income is received within only a short period of time during that 12 months.

13.05.01.01
Part-Year Income

Average self-employment income which is intended to meet the FS group's needs for only part of the year over the period of time the income is intended to cover.

Example. A self-employed vendor works only from the beginning of May through the end of August and supplements this income from other sources during the balance of the year. Average his self-employment income over a 4-month period rather than a 12-month period.

13.05.01.02
IRS Tax Forms

Use IRS tax forms to average income only if:

1. The business was in operation at least 1 full month during the previous tax year,

2. The business has been in operation 6 or more months at the time of the application, and

3. The person doesn't claim a change in circumstances since the previous year.

If all 3 conditions aren't met, use the SEIRF to calculate the anticipated earnings (13.5.2).
If the IRS tax forms aren't completed, tell the client to complete the appropriate form(s). Don't fill out any IRS tax form yourself. This is solely the client's responsibility.

13.05.01.03
Worksheets

To calculate IM income, use the self-employment income worksheets to adjust the income figure on the IRS tax forms. The worksheets identify net income and depreciation (also known as depletion or amortization). You must add back in depreciation on the IRS form as indicated on the worksheet.

Each worksheet is divided into 3 columns:

1. The first column describes what is on the line.

2. The second column gives the location of the values to be entered in the third column.
3. The third column sets the calculation to be done.

For each operation, select the worksheet you need. Use the provided tax forms and/or schedule, to complete the worksheet.

The worksheets are:

1. Sole Proprietor - (20.6.0)

   a. IRS Schedule C, Form 1040: Nonfarm Business Income

   b. IRS Schedule E, Form 1040: Rental & Royalty Income

   c. IRS Schedule F, Form 1040: Farm Income

   d. IRS Form 4797: Capital & Ordinary Gains

2. Partnership - (20.7.0)

   a. IRS Form 1065: Partnership Income
   b. IRS Schedule K-1, Form 1065: Partner's Share of Income

3. Corporation - (20.8.0)

   IRS Form 1120: Corporation Income

4. Subchapter S Corporation - (20.9.0)

   a. IRS Form 1120S: Small Business Corporation Income
   b. IRS Schedule K-1, Form 1120S: Shareholder's Share of Income

Next, divide IM income by the number of months the business was in operation during the previous tax year. The result is monthly IM-income. Add this to the FS group's other earned and unearned income. If monthly IM-income is a loss, add zero to the income that is not self-employment income.

When a household has more than 1 self-employment operation, the losses of one can offset the profits of another. However, don't use losses from self-employment to offset other earned or unearned income, except farm income. Offset farm income losses with any other countable income only if the farmer received or anticipates receiving annual gross proceeds of $1,000 or more from the farm operation.

If you use more than 1 worksheet because there's more than 1 operation, combine the result of each worksheet into 1 monthly IM income amount. Then add that total to any other income. A salary or wage paid to a FS group member is an allowable business expense, but also is earned income to the payee.

13.05.02
Self Employment Income Report Form (SEIRF)

The SEIRF simplifies reporting income and expenses when earnings must be anticipated. The client must enter retrospective income information on the SEIRF to determine an average. Budget this average prospectively.

It is modeled after IRS Form 1040, Schedule C. Use it to report income for any type of business with any form of business. However, farm operators may find it easier to complete the IRS tax form instead when income and expenses are more complex.

13.05.02.01
Anticipating Earnings

Calculate self-employment income based on anticipated earnings when:

1. The business was not in operation for at least one full month in the prior tax year.

2. The business has not been in operation for six or more months at the time of the application.

3. Past circumstances do not represent the present.

A change in circumstances is any change that is expected to impact income or any consistent change in income over time. The person is responsible for reporting changes.

Examples of changed circumstances are:

1. The start of a business.
2. The owner sold or simply closed the business.
3. The owner sold a part of his business, for example, 1 of 2 retail stores.
4. The owner is ill or injured and will be unable to operate the business for awhile.
5. A plumber gets a contract on a new apartment complex. The job will take 9 months and his/her income will increase.
6. A farmer suffers unusual crop loss due to the weather or other circumstances.
7. There's a substantial cost increase for a particular material causing less profit for each unit sold.
8. Sales, for an unknown reason, are consistently below previous levels. The relevant period may vary depending on the type of business (consider normal sales fluctuations).

The date of an income change is the date you agree a change occurred. You must judge whether the person's report was timely to decide any over- or underpayment.

Changes are effective according to the normal retrospective budgeting cycle. Don't recover payments made before the agreed on date. Apply this to clear cut business beginnings, endings, and fluctuations.

To anticipate earnings:

1. Average IM income over the past months beginning when circumstances changed if 6 or more months have passed since the change.

2. Calculate a cumulative monthly average when the change was less than 6 months ago, and when a new business has been operating for less than 6 months.

3. Use the 6 months' average until the person reports a completed IRS tax form or a change in circumstances at or between reviews.

Example. Bob completes a SEIRF for his new business. His income was:
Month 1 $50
Month 2 40
Month 3 60
Month 4 -20
Month 5 -30
Month 6 20
Total 120
$120 /6 (months) = $20 a month income.

S/he may complete the SEIRF for each month separately or total the months on one SEIRF.

1. For 6 or more months of operation since the change, calculate monthly average IM income and use it for the rest of the year.
2. For changes in months 1 through 5, calculate: monthly average IM income and the cumulative monthly average over 6 months of operation.
3. For less than 1 month of operation since the change, the person must estimate income and expenses for the next 2 months on a SEIRF. Divide the estimate by 2 to get monthly IM income for the 1st 2 months.

Next, calculate the cumulative monthly average over 6 months of operation.

When there are less than 6 months of operation:

1. The person must complete a SEIRF for each month of operation until s/he has reported 6 months of operation.
2. Keep a cumulative monthly average of IM income reported until the average covers 6 months.

Example. At review, a person reports 3 months of operation and completes 3 SEIRFs. Total the IM income from the 3 SEIRFs. Divide the total by 3 for a monthly average.

When you receive the 4th SEIRF:

a. Add IM income for the 4th month to the total for the first 3 months.
b. Divide the result in (a) by 4 to get the new cumulative monthly average.

If the SEIRF isn't completed, tell the client to complete it. Don't fill out the SEIRF yourself.

13.05.03.01
Deductions -Shelter

When the group does not identify the shelter expense for self-employment, the group may not use the shelter expense as a business deduction. Use all of the expense for the shelter deduction. Do not allow money which has been deducted as a business expense on taxes as a shelter deduction. If a FS group claims a percentage of its shelter costs as a business
expense, allow the remaining percentage as a shelter deduction.

If the FS group claims the total shelter costs as a business expense, don't allow any shelter deduction.

Example. Fred, a self-employed farmer, uses 50% of his insurance and taxes as a business deduction. His yearly insurance and taxes are $1200. Use the remaining $600 as a shelter deduction. Prorate the $600 over 12 months.

13.05.03.02
Deductions- Utility

If the group deducts a percentage of its utility expenses on taxes, it may choose the SUA or actual costs. It may deduct only the portion of utility expenses it has not claimed on taxes if using the actual costs.

If the FS group claims the total utility costs as a business expense, don't allow any utility deduction.

14.01.00
Sponsor

A sponsor is a person who executes an affidavit of support or similar agreement for an alien. The agreement is a condition of the alien's entry into the US.

There are now two different standards of sponsor deeming. Which standard you should apply depends on the type of affidavit signed. Examine the date the affidavit was signed. If the affidavit was signed before December 19, 1997, apply the pre-PRWORA rules. If the affidavit (federal Form I-864) was signed on or after December 19, 1997, apply the PRWORA deeming rules.

Sections not marked specifically should be applied to both types of sponsor deeming.

14.02.00
Pre-PRWORA

14.02.01
Sponsor Liability

Deem the income and assets of the sponsor and the sponsor's spouse, if living together, to determine an alien's eligibility for three years after the alien enters the US.

If the alien reports a sponsor change recalculate the deemed income and assets based on the new information.

If an alien loses his/her current sponsor, and does not have a new sponsor use the income and assets of the previous sponsor. Do this until the alien gets another sponsor, or the three year period expires.

Current sponsors, who signed an affidavit before December 19, 1997, are not required to sign a new PRWORA affidavit of sponsorship.

14.02.02
Exceptions

Don't deem anything:

1. If the sponsor participates in the FS program.
2. If the sponsor dies, even if the sponsor has an estate, and a surviving spouse.

14.02.03
Deeming

Deem the income and assets of the sponsor and the sponsor's spouse, if living together. Deem:

1. The total of non-exempt assets of the sponsor and the sponsor's spouse reduced by $1,500.
2. All gross income (minus income exclusions allowed FS applicants) less:
    k. 20% of gross earned income.
    l. The FS monthly gross income eligibility limit for a household equal in size to the sponsor's household. Base household size on the number of dependents claimed by the sponsor or the sponsor's spouse for Federal income tax purposes.

14.02.03.01
More Than One Alien Sponsored

When a person sponsors more than one alien, deem an equal portion of the amount of income and resources calculated above to each sponsored alien.

14.03.00
PRWORA Deeming

14.03.01
Sponsor Liability

Deem the gross income and assets of the sponsor and the sponsor's spouse if living together, to determine an alien's eligibility. Deem until the alien:

1. Becomes a citizen.
2. Has worked 40 qualifying work quarters (4.2.0).

The sponsor must notify FNS and the state in which the sponsored alien resides of any change in the sponsor's address.

14.03.02
Indigence Exception

Deem only the amount of income and assets actually received by the alien from the sponsor and sponsor's spouse if living together, if you determine, after counting the alien's own income plus any cash, food, housing, or any other assistance provided to the alien by other people including the sponsor, that the sponsored alien would be unable to obtain food or shelter without receiving assistance from the FS Program.

14.04.00
Exempt Aliens

Don't deem to any alien who has been:

1. Admitted to the U.S. through section 243 or 241 of the INA.
2. Admitted to the United States as a refugee as a result of an application, after March 31, 1980, under section 207 of the INA.
3. Paroled into the United States as a refugee under section 212(d)(5) of the INA,
4. Granted political asylum by the Attorney General under section 208 of the INA.
5. A Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (PL 96-442).
6. The dependent child of the sponsor or the sponsor's spouse.
7. Sponsored by an organization.
8. Admitted as a conditional entrant under section 203(a)(7) of the INA.

In addition, do not apply PRWORA deeming rules to:

9. A battered alien (adult or child) or the parent of a battered alien child, or the child of a battered parent as defined in 4.2.3.1, who are no longer living with the batterer, and who have demonstrated a substantial connection between the need for FS and the battering. This exemption lasts for a period of 12 months from the date of application. After 12 months the battered aliens continue to be exempt from deeming with regard to the resources and income of the batterer only.

   Code the battered alien adult or child or parent with the broadest alien eligibility category that applies to that person (e.g., a battered refugee alien, code as refugee). Document in case comments that the person is a battered alien and therefore exempt from sponsor deeming. Do no list the sponsor in CARES on ACCH. Do not list any of the sponsor's income and assets.

See 4.2.5 for verification resources.

14.05.00
Obtaining Information From a Sponsor

The alien to whom deeming applies is responsible for getting the information from his/her sponsor, and providing it to agency.

Recompute the deemed income and assets if the alien changes sponsors during the certification period. The alien must supply information about the new sponsor and you must verify it. Use the same verification policy for sponsor's assets as you use for FS applicants.

The alien or alien's spouse must provide:

1. The income and assets of the alien's sponsor at the time the alien applies for FS. Include income and assets of the sponsor's spouse (if living with the sponsor).
2. The number of other aliens for whom the sponsor has signed an affidavit of support or similar agreement.
3. The provision of the INA the alien was admitted under.
4. The date of the alien's entry or admission as a lawful permanent resident as established by INS.
5. The alien's date and place of birth, and alien registration number.
6. The number of dependents for Federal income tax purposes claimed by the sponsor and the sponsor's spouse.
7. The name, address, and phone number of the alien's spouse.

The sponsored alien is ineligible if verification is not received timely. S/he is ineligible until verification is received. If an alien refuses to provide needed information, other adult members of the alien's household must do so. If the household refuses, disqualify the entire household, even if some members are US citizens.

Treat the income and assets of the ineligible alien as a disqualified member. Use the instructions in 15.3.0 to determine the eligibility of any remaining household members. Exclude the attributed income and assets of the alien's sponsor and sponsor's spouse.

If you later receive the verification, treat it as a reported change according to the timeliness standards in IMM, IV, E.

14.06.00
Overissuance Due To Incorrect Sponsor Information

If FS are issued incorrectly because the sponsor provided wrong information, the sponsor and alien are equally responsible for repayment. If the alien's sponsor has good cause or was without fault in supplying the incorrect information, the alien's FS group must repay. The sponsor is not liable for repayment.

14.06.01
Sponsor's Rights

Sponsors may use the fair hearing process (IMM, II, G) to contest their alleged fault in overissuances.

15.01.00
Instructions

A member(s) of the food unit has been kept out or removed from the FS group. You are told to deem or not deem this person's income and/or assets. Deem means allocate the amount from the person to the FS group, whether or not the money changes hands. Determine how his/her income and/or expenses affect the eligibility and benefit level of the FS group using the following instructions.

15.01.01
Actually Contributing

Actually contributing means the person provides a portion of his/her income or assets. To be actually contributing to shelter costs, for example, the person must pay toward the household's shelter costs.

15.01.02
Prorated Share

A prorated share or share is an evenly divided portion of something. It is the whole broken into equal parts. Divide and distribute using either the number of persons or groups involved. The proration depends on the item being prorated and the reason for the person's disqualification from the FS group.

15.02.00
Ineligible Student

For an ineligible student, do the following.

15.02.01
Income

Don't deem any of the ineligible student's income. If s/he actually contributes a portion to the FS group, count it as income to the FS group.

15.02.02
Assets

Don't deem any asset owned solely by the ineligible student to the FS group. For jointly owned assets with a FS group member, see 11.1.4.2. For jointly owned vehicles with a FS group member, see 11.3.1.

15.02.03
Medical Expenses

Don't deem any of the student's medical expenses to the FS group.

15.02.04
Dependent Care

Reduce the FS group's dependent care expenses by the amount the ineligible student actually pays or contributes to any dependent care charges.

15.02.05
Shelter Expenses

If the ineligible student contributes to the group's shelter expenses in a known dollar amount, or percentage, reduce the group's expenses by the amount contributed. Don't include utilities in this computation.

If the ineligible student contributes an unknown amount, compute the FS group's expense. Prorate the total of all shelter expenses by the number of persons actually contributing toward the payment. Don't include utility expenses in this computation.

Example. A food unit of 9 includes a FS group of 6 and 3 ineligible students. Three FS group members, and 2 ineligible students together pay shelter expenses of $495.

The prorated share is shelter cost divided by the number of contributors: $495)5= $99. The FS group's 3 (the number of contributors in the group) shares is their shelter expense ($297).

Count each food unit member who's also included in an AFDC payment as actually contributing to costs.

Example. An ineligible student is the AFDC payee for his 2 children. The FS group consists of the 2 minors and they are deemed to have 2/3 of the shelter costs (each AFDC recipient is actually contributing).

15.02.06
Utility Expenses

Utility Expenses

Go to 15.2.6.1 Actual

15.2.6.2 Standard

15.02.06.01
Actual

A FS group chooses actual utility expenses and the ineligible student contributes a known dollar amount or percentage. Reduce the group's expenses by the amount of the student's contribution.

When the ineligible student contributes an unknown amount, prorate the actual utility expense by the number of persons contributing toward the payment.

Example. A 7 person food unit includes an FS group of 5 and 2 ineligible students. One student contributes an unknown amount to the monthly actual utility expenses ($185). The other student, nothing. Three members of the FS group also contribute.

Prorate the utility expense into 4 shares (3 group members and 1 ineligible contributor) of: $185)4=$46.25. The FS group's portion of the actual utility expense is equal to 1 share for each contributing member: $46.25 X 3 = $138.75.

Count each food unit member included in an AFDC payment as actually contributing to the costs.

Example. An ineligible student lives with his girlfriend and her minor son. The girlfriend and her son receive FS and AFDC. The FS group consists of Mom and her child. They are deemed to have 2/3 of the actual utility expenses. Each AFDC recipient is actually contributing, including the minor child.

15.02.06.02
Standard

The FS group chooses the standard utility option. The ineligible person(s) contributes toward the utility payments in a known or unknown amount. Prorate the standard evenly among the groups sharing payment. Allow the FS group 1 share.

Assume all other members of the household who aren't members of this FS group to be 1 group, unless they indicate otherwise. In most instances you'll divide the standard by 2. To indicate otherwise, a person in the household who is not a member of the FS group must show s/he contributes to the payment of the utilities separately from other nongroup members who also contribute to the payment.

Example. A food unit of 7 persons includes a FS group of 5 and 2 ineligible students. They choose the heating standard of $194. One of the students pays toward the utility expense.

Prorate the standard into 2 shares. 1 share is the FS group's and the other the ineligible group's share. The FS group's share is $194) 2= $97.

Example. A food unit of 5 includes 2 ineligible students. Each student pays separately towards utilities. Divide the utilities by 3 groups, the FS group, 1 student group, and 1 student group. The FS group's share is $194 divided by 3 = 65.

15.03.00
Ineligible Alien, Citizenship or SSN-Related Disqualification

When there is an ineligible alien, questionable citizenship, or SSN-related disqualification, do the following: Prorate the ineligible person's income between those in and out of the FS group. Calculate the amount of prorated unearned and earned income to deem to the FS group separately

15.03.01
Income

If the person has unearned income:

1. Determine his/her total nonexempt unearned income.
2. Add the number of members in the FS group to the number of ineligible persons.
3. Divide the amount in 1 by the total in 2.
4. Multiply the result in 3 by the number of FS group members. Deem the result to the FS group. Enter this amount with the FS group's other unearned income on the FS Worksheet, line 8.

Example. A food unit of 5 includes a FS group of 3 and 2 persons who are ineligible aliens. One alien has nonexempt unearned income of $128 per month. The figures in the scheme above are: (a) $128; (b) 3+2=5; (c) 128)5=25.60; (d) 25.60 X 3 = $76.80. $76.80 is the FS group's share of the unearned income.

If the person has earned income:

1. Determine his/her total nonexempt earned income.
2. Deduct 20 percent of the total in 1.
3. Do steps 2, 3, & 4 (above). Enter the result on line 8 of the FS worksheet. Deem the earned income of a non-FS group member as unearned income to the FS group.

15.03.02
Assets

Deem all the ineligible person's nonexempt assets to the FS group.

15.03.03
Medical Expenses

When the FS group is eligible for a medical expense deduction (16.4.0):

1. Don't deem any of the ineligible person's payments for medical costs for his/her own care as expenses of the FS group.
2. Deem to the FS group a prorated amount of medical expenses for a group member's care billed to or paid by the ineligible person. Prorate using a ratio of FS group members to food unit members.

Example. The FS group contains a disabled person who is billed $84 a month in medical expenses. A SSN ineligible food unit member pays the full $84.

The food unit numbers 4 persons: 1 ineligible member and 3 FS group members. The ratio of FS group members to food unit members is 3:4.

The FS group's share is 3/4 of the expense.

$84 / 4 (FS unit members) = $21.

$21 x 3 = $63 (FS group's share).

The medical deduction policy allows only the amount over $35 as a deduction.

The deduction is $28 ($63 - 35= $28).

If there were 2 SSN ineligible persons in the food unit, the ratio would be 3:5. Deem to the FS group 3/5 of the medical expense in calculating its medical deduction. This is true even if only 1 of the ineligible food unit members was billed for or paid any of the eligible member's medical costs.

Example. A 3 person food unit includes a FS group of 2 and an ineligible alien. The ineligible alien pays $90 a month toward the elderly FS group members' $91 monthly medical expense. The FS group pays $1. The FS group's share is $1 + 2/3 of the remaining $90. 2/3 of $90 is $60.

$60 + $1= $61. $61 - $35= $26.

The FS group gets a $26 medical deduction.

15.03.04
Child Support (CS)

Deem to the FS group a prorated share of the amount of court ordered child support actually paid by the ineligible member to a non-household member. Deduct all but the ineligible member's prorated share from the household income. See 16.5.0.

Example. A food unit of 4 includes 3 FS group members and 1 ineligible alien. The ineligible alien pays $100 legally obligated child support.

The prorated share is $25 a person ($100 / 4).

The FS group's prorated child support deduction is $75 ($25 X 3), or 3/4 of the total payment.

15.03.05
Dependent Care

Deem to the FS group a prorated share of the amount of the food unit's dependent care costs (Dependent Care Unit) paid by or billed to the ineligible person.

Example. A food unit of 5 includes 3 FS group members and 2 ineligible aliens. The food unit's monthly dependent care costs total $275. An ineligible food unit member is billed for a portion of that total. 1 share is $55 ($275)5). The FS group's prorated expense is $165 ($55 X 3), or 3/5 of the total costs.

15.03.06
Shelter & Utility Expenses

If the ineligible food unit member pays toward shelter and/or utility expenses, prorate the expense evenly among the people contributing. Do this even if you do not know the amount of the contribution. If the FS group has AFDC members, count all AFDC members as contributing.

After prorating, add the FS group member's shares together. Next, take the ineligible's share and divide it by the number of people in the household. Assign portions of that share to FS group members. Add the FS group's prorated shares together. This is the FS group's expense.

CARES does the prorating automatically.

15.03.06.01
Shelter

Example. A household of 3 includes a FS group of 2 who also receive AFDC, a non-food unit member and an ineligible alien. The ineligible alien and 2 FS group members pay the rent. The household's rent is $600 a month. Divide the shelter expense by the number of contributors to the payment. There are 3 people contributing ($600 / 3) = $200. One share of the rent is $200. The FS group's prorated share is (200 x 2)= $400. This is part of the FS group's shelter expense.

The ineligible alien's share is also $200. Divide that share by the number of household members ($200 / 4) = $50. Multiply the share amount by the number of FS group members ($50 x 2) = 100. The $100 is also a deductible shelter expense.

Add the FS group's $400 share and $100 share. The FS group's total shelter expense is $500.

15.03.06.02
Actual Expenses

Example. In the same food unit above, the ineligible alien contributes the actual utility charges. Calculate the FS group's prorated share the same as shared rent.

15.03.06.03
Standard

Example. A food unit of 7 includes a FS group of 5 and 2 ineligible aliens. They chose the heating standard ($194). One of the ineligible aliens and 2 FS group members contribute to the payment of the utility expense. Prorate the standard evenly among the food unit members contributing. ($194 / 3) = $64.96. One share is $64.96. Since there are 2 FS group members contributing, multiply ($64.96 x 2) = $129.92. $129.92 is the FS group's share so far.

Now take the ineligible alien's prorated share. Divide his share by the number of persons in the household. ($64.96 / 7) = $9.28. One share of the ineligible alien's portion is $9.28. Multiply the share amount by the number of FS group members ($9.28 x 5) = $46.40. $46.40 is the FS group's portion of the ineligible alien's share.

Add the prorated FS group shares together. ($129.92 + 46.40) = $176.32. $176.32 is the FS group's share of the SUA.

15.04.00
Intentional Program Violation (IPV), or Work-Related Sanction

When you exclude a household member from the FS group for IPV or work-related sanction, continue to count that person's income, assets, and expenses as if s/he were still a FS group member.

Don't count the person who's ineligible for IPV or work-related sanction as a member of the FS group when you:

1. Test the FS group against any income limits.
2. Test the FS group against any asset limits.
3. Determine the FS group's benefits in the Allotment Unit.

15.05.00
Fleeing Felons and Probation & Parole Violators

Deny eligibility to persons who are fleeing felons and/or probation/parole violators (19.0.0).

If the ineligible person is still in the home, count his or her income, assets, and expenses as if s/he were still a FS group member. Follow the procedure contained in 15.4.0 to do the household calculations.

15.06.00
Drug Felon

Deny eligibility to a drug felon under the criteria in 19.1.0.

If the ineligible drug felon is still in the home count that person's income, assets, and expenses as if s/he was a member of the FS group. Follow the procedure contained in 15.4.0 to make those calculations.

15.07.00
Child Support Cooperation

Deny eligibility to an individual who fails to cooperate with the Child Support Agency without good cause (10.0.0). Do not deny eligibility to the household.

Count the ineligible individual's income, assets, and expenses as if s/he was a member of the FS group. Follow the procedure contained in 15.4.0 to make those calculations.

16.01.00
Rules

A FS group may be eligible for 7 deductions. They are: Standard, Earned Income, Medical, Child Support, Dependent Care, Shelter, and Utilities. Some FS groups are not allowed a deduction for some expenses and some expenses are not always deducted in full. Figure deductions after income and expense disregards. See 18.3.0 for a list of deductions.

16.01.01
Budgeting

Subtract deductions following the same rules as you do in budgeting income. That is, when you budget income prospectively, budget deductions prospectively using the best information available.

16.01.02
Amount Due

Use the amount charged to the FS group as the expense in your deduction calculations. The "amount charged" is the amount necessary to satisfy the debtor's obligation.

Example. A group is charged $180 for dependent care, but pays only $100. Use the amount charged ($180) in your calculations.

Example. Jan has a lease that charges her $85 a month for rent. The landlord reduces the rent to $70 a month as repayment for tasks Jan performs and will continue to perform. The "amount charged" is $70 as that is the amount necessary to satisfy the debt.

Subtract only currently due charges. Don't include past-due amounts even if the group pays both the current and past bill together.

Example. A group's dependent care expense is $180 in April and it pays $100 that month. You subtracted $180 as an expense in your calculations. In May the group is billed $260 ($180 for May's expenses and $80 past-due). Subtract only $180 for May no matter how much the group pays on the May billing.

16.01.03
Caution

Be careful: allow a particular expense only once.

16.01.04
Calculation Period

Deduct allowable expenses for the month in which an expense is billed. Do not use the month of its due date unless both dates are in the same month. This does not apply if the expense varies, is irregular, or a one time cost.

Example. Include in the group's shelter expenses rent that is due each month even if the group hasn't yet paid the expense.

16.01.05
Fluctuating & Irregular Costs

The FS group may choose to average an allowable deduction when the costs fluctuate or are billed on other than a monthly basis. If there is a regular interval between billing periods, average the expense over those periods. If there is no regular interval, average the expense over the period the expense is intended to cover.

16.01.06
One-time Costs

The FS group can count a one time only expense as 1 time deduction or average it over the certification period. If it chooses averaging, average it over the remaining months in the certification period following the report of the expense.

16.01.07
Prohibited Deductions

Don't allow a deduction from any disregarded income. Make deductions only from countable income.

16.02.00
Standard Deduction

Subtract the standard deduction (18.3.0) from a FS group's total income after the group passes all eligibility tests.

16.03.00
Earned Income

Deduct 20% of an eligible FS group's earned income (FS Worksheet lines 7 & 12).

16.04.00
Medical Expenses

Go to 16.4.1 Elderly, Disabled, Blind

16.04.01
Elderly, Disabled Blind

Deduct the portion of allowable **medical costs incurred**, (16.4.3) by any elderly, disabled, or blind FS group member that exceeds $35 a month. Add all their medical expenses and then test against the $35.

See 16.4.5 and 16.4.6.

Example. Jill and Jack are blind. Each has $25 in allowable monthly medical costs for a total of $50. They get a $15 medical expense deduction. $50 - $35 = $15.

16.04.02
Ineligible Members

See 15.0.0 Deeming and Ineligible Persons

16.04.03
Medical Expenses

Allow previously acquired charges (not yet paid) and payments when calculating a medical expense deduction. Previously acquired charges include charges incurred anytime before or during the eligibility period, as long as the individual is still obligated for the expense. Payments include payments made only during the eligibility period. Do not use medical expenses paid prior to the eligibility period.

Verified medical expenses can be budgeted only once and in only one of the following ways:

1. As a one time only deduction.
2. Averaged over the eligibility period.
3. According to a negotiated payment schedule.

Example. Jack has surgery in January and receives a hospital bill for $400 in February. Jack then applies and becomes eligible for FS in April. At the time of application, Jack has not made any payments toward the medical bill. The ESS can use the entire $400 hospital bill when calculating Jack's medical expense deduction.

Example. Jack has surgery in January and receives a hospital bill for $400 in February. He makes his first $50 monthly payment toward his medical bill in March. Jack then applies and becomes eligible for FS in April. The ESS cannot use the $50 March payment when calculating the medical expense deduction. The worker can, however, use the remaining $350 of the hospital bill ($400 - $50 = $350) to calculate the deduction.

16.04.04
Verification

Verify medical expenses before initial certification (see IMM, I). Expenses verified as part of an MA application are also verified for FS. The following items must be verified: date of service, billing date, amount owed, and date amount is due.

Rely on estimates of the FS group member's expected medical expenses for the eligibility period. If the FS group doesn't verify the anticipated expense during the eligibility period, don't allow the expense.

Include changes that can be anticipated based on available information. Consider the group member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the FS group member.

16.04.04.01
Changes

Verify changes that result in an increase in FS benefits if the change is more than $25 in total medical expenses. Verify changes in total medical expenses for $25 or less only if they appear incomplete or outdated.

ESS are not required to verify changes that would decrease benefits or make the household ineligible until review.

16.04.06
Expenses Not Allowed

Do not allow:

1. Expenses paid by or that will be paid by insurance.
2. Expenses paid by or to be paid by any governmental program, including MA and Medicare.
3. Costs of health and accident policies such as: any payable in lump sum settlements for dismemberment or death, or income maintenance policies covering mortgage or loan payments while the beneficiary is disabled.
4. Loan repayments for anything other than the loan's principal (see 12, in 16.4.5 Allowed Expenses).

16.05.00
Child Support

Deduct child support for FS households that pay court ordered child support to a nonhousehold member.

Determine the deduction amount by either the average child support:

1. Paid in the previous 6 months.
2. Paid during the certification period, based on a record of payment.

16.05.01
Allowed Expenses

Allowable child support payments are:

1. All child support payments actually paid by eligible members including:
    m. Arrearages,
    n. Legally obligated payments made on behalf of the nonhousehold member (such as rent or

16.05.02
Expenses Not Allowed

Do not allow:

1. Maintenance,
2. Payments made in accord with a property settlement.

16.05.02.01
Family Support

If you are unable to determine which part of a family support payment is child support, prorate the payment among the group members it is intended for and exclude the spouses share as a deduction.

16.05.03
Verifying

Verify expenses at application, review, and when a change is reported.

16.06.00
Dependent Care

Subtract the cost of dependent care for either a minor or an adult as a deduction from the FS group's income if the dependent care is necessary to enable someone in the food unit to:

1. Keep or obtain employment.
2. Get training or education preparatory for employment.
3. Comply with employment and training requirements (FSET).

See the Child Day Care Manual, Chapter 3, for further child care policy instructions regarding:

1. W-2 Child Care recipients who are also FSET or Learnfare participants. They may not have a co-pay obligation (2.1.0).
2. Costs above Child Care Deduction (2.5.0).

The maximum dependent care deduction is $200 per month for each child under 2 years.

The maximum dependent care deduction is $175 per month for each child who is 2 years or older.

The provider of the dependent care cannot be a member of the food unit.

Do not allow in-kind payments as a deduction.

Example. A household member is a dependent care provider. S/he is compensated for providing dependent care by paying no rent. Do not allow the dependent care deduction.

Do not allow a dependent care deduction for the portion an agency pays directly to the dependent care provider. Deduct any amount the group actually incurs or pays above the vendored, vouchered, or reimbursed payment up to the maximum (16.6.0).

Determine the deduction prospectively by obtaining a best estimate of the applicant's payment obligation from the applicant, verifying the information, and documenting it in CARES.

16.07.00
Shelter

Deduct shelter costs which exceed 50% of the food unit's income after all other deductions are made. If shelter costs are less than 50% of the food unit's income, don't allow a deduction.

The shelter deduction can't exceed the shelter maximum (18.3.0) unless there are elderly or disabled members.

Food units containing elderly or disabled members have no shelter cap.

1. Rent
2. Home mortgage and property taxes (if not in the mortgage)
3. Countable utility expenses
4. Mobile home lot rent and loan payments
5. Insurance on the structure (if not included in the mortgage)
6. Second mortgages (regardless of what the mortgage is used for)
7. Special assessments.

CARES prorates shelter expenses if household members contribute in an unknown amount.

16.07.01
Natural Disaster

Count costs for the repair of damages to the FS group's home due to a natural disaster as a shelter expense. Examples of natural disasters are fires, floods, hurricanes, and so on.

Don't count expenses for repairs that have been or will be reimbursed to the FS group by any private or public relief agency, insurance company, or any other source.

16.07.02
Homeless Shelter Deduction

The homeless groups may choose to use one of the following:

1. Actual expenses (16.8.0)
2. SUA and shelter costs, if eligible for the SUA (16.8.8).

If actual costs are higher, the group may claim actual expenses. If the group chooses actual, you must verify expenses.

If the group chooses the SUA, it may change its choice at each review.

Prorate the SUA for groups containing ineligible members who pay all or part of the shelter costs. If a homeless group shares a residence with another food unit, the other food unit is eligible for a prorated share of the SUA if the homeless group contributes to shelter costs. Use instructions in 16.8.8.

Don't include back payments on previously owed shelter expenses since the expenses were incurred before the budgeting period. The exception to this is vendor payments that must be repaid. FS groups who have shelter expenses paid with a vendor payment can count the actual shelter costs if they repay the vendor payment.

Example. GR pays Gwen's shelter expenses while she is living in a homeless shelter during March. She agrees to pay the money back when she starts work. She is employed in April and moves. She incurs her March shelter costs in April since that is when she is expected to repay the GR payment. Her new shelter costs also are due in April. Include both March and April shelter costs for April. Use actual costs.

16.08.00
Utilities

There are deductions for fuel, utilities, and phone expenses.

A FS group with fuel and/or utility expenses may choose:

1. The standard utility allowance (SUA), or
2. Actual expenses.

The FS group makes its choice during the interview. The group may change its choice at each review. To change, the group must notify you, verbally or in writing.

16.08.01
SUA Heating Expenses

Use the heating standard for FS groups billed regularly for heating expenses. "Billed regularly" means the group receives heating bills at predictable intervals. This includes "as needed" schedules, such as for fuel oil, wood, or LP.

A FS group that verifies its main source of heat is electricity may use the heating standard.

When a fuel other than electricity is the primary heat source, a furnace or "backup" heat may depend on electricity. The FS group may choose the heating standard only if it has an expense for the primary heat source.

Example. A FS group heats with wood, but the furnace's blower is operated electrically. If they pay for the wood, they can choose the heating standard. If the wood is no expense, they can't choose the heating standard, but may choose the other standard or no deduction.

16.08.02
Other Standard

The other standard is for a FS group with no heating costs, if billed regularly for electricity, cooking fuel, or water heating.

16.08.03
Verifying

Verify expenses at application, at review when changes are reported, and when the group moves, or reports a change.

16.08.03.01
Actual

Process the case with no utility expenses if verification isn't provided in 30 days. Note the failure to verify in case comments on screen CMCC.

If the FS group provides the verification after the 30 days, apply the appropriate standard with the next possible payment month. Don't issue benefits lost due to the failure to verify.

If the FS group submits a utility bill that differs from the standard selected (like a heat bill when the nonheat, other standard is chosen), contact the group to check its understanding of the choice. Record and date any correction or alteration in case comments on screen CMCC.

16.08.04
Expenses in Rent

Don't give the SUA to a FS group whose fuel or utility expenses are usually included in its rent payment. Even if the group occasionally pays a fuel or utility bill for an excess amount, don't give them the SUA.

16.08.05
Moves & Changes

Review fuel and utility choices when a FS group moves to a new residence or its circumstances change. Change the choice if needed.

Example. A FS group moves from a place where it has been paying only for electricity to one where it has regular heating expenses. Change the group to the standard for heating. If the group moves to a place with no fuel or utility expenses, change the standard.

Budget the new standard prospectively when the group moves or a change is reported. Make the change effective for the next possible payment month.

Example. A FS group on the heating standard moves on February 10 from a home where it was billed regularly for heating to one where it is billed regularly for electricity.

The change from the heating standard to the "other" standard will occur with the March allotment. If the same change occurred on February 25, the change from one standard to the other will occur with the April allotment.

When a FS group moves, base actual expenses in the new residence on utility company records of the cost in the same period of the previous year.

16.08.06
Telephone Standard

The heating and the other standards include the telephone standard amount.

A group is eligible for the phone standard even if they don't use the heating or other standards.

Verify expenses at application, at review if change is reported, and when the group moves, or reports a change.

If the group chooses the actual expenses and shares the basic phone expense with another group, prorate the expense between the groups.

Example. Group A receives the phone bill. Group B reimburses Group A for long distance calls but doesn't pay for basic service. Do not prorate, since this isn't a shared telephone arrangement.

16.08.07
Bills in Other Name

When bills aren't in the FS group's name, assume that the group has the utility expenses:

1. If the group claims responsibility for the bill, and,
2. The address on the bill is the same as the FS group's address.

16.08.08
Shared Utilities

16.08.08.01
Shared Residence

Allow FS groups sharing both utility expenses and a residence to choose either the SUA or actual expenses. It doesn't matter which group receives the bill. It also doesn't matter if the shared utilities and residence are with another FS group or with a NonFS group.

The SUA will be prorated among contributors. You must receive verification of the expense amount, identify contributors, and enter each one separately in order for the person to be counted in the proration.

CARES prorates utility expenses if household members contribute in an unknown amount.

If the members contribute in a known amount, and claim actual, use the actual amount contributed.

16.08.08.02
Different Residence

When FS groups share utility expenses but not a residence, only the group that receives the bill from the utility company can get the whole SUA. Treat LIEAP payments differently. If the group not billed received a LIEAP payment for its current residence, it may receive the whole SUA. If it didn't, only allow actual expenses.

Example. Two FS groups live in separate apartments but share 1 utility meter. The group receiving the bill from the utility company may claim the whole SUA.

The other must claim actual expenses.

16.08.08.03
Ineligibles

First determine if the ineligible(s) are sharing utilities and residence (16.8.8.1) or sharing utilities and living in different residences (16.8.8.2). If the FS group is eligible for a prorated SUA or actual expenses, go to Appendix 15.0.0 . This will tell you how to figure the expense based on the ineligibility reason.

16.08.08.04
Landlord Billed

If the landlord receives the bill from the utility company and bills each tenant an equal or prorated amount, no household is eligible for the SUA. Each can only claim actual expenses. If a FS group shares expenses with another group and chooses actual expenses, the FS group must:

1. Verify the household's total actual expenses.
2. Identify the household members who contribute to the payment of the expense.

If the group doesn't verify the expense and identify everyone contributing to the payment, don't allow the expense.

16.08.09
Heating with Wood

If wood is the FS group's primary heating source and it chooses actual expenses, count only the cost of the wood used for fuel. Don't allow any costs associated with getting the wood (like chain saws, fuel, and cutting permits). Don't allow any group with only associated expenses the standard allowance.

16.08.10
Propane Gas

If propane gas is the FS group's primary heating and cooking source and it chooses actual expenses, count both the cost of the propane and the rental fee for the tank.

16.08.11
LIEAP Payments

Count entire Low Income Energy Assistance Program (LIEAP) payments as an expense. Don't reduce or ignore fuel or utility expenses because the FS group received LIEAP payments. Allow a fuel or utility deduction in the SUA or actual computations regardless of the payment method.

16.08.12
HUD & FMHA

Disregard HUD and FMHA payments paid directly to the landlord or mortgage holder as an expense. Only include the amount the household owes after the payments as a rent expense.

Disregard HUD and FMHA utility reimbursement payments made directly to the household or utility provider as an expense. Only include the amount the household owes after the payments as a utility expense.

16.08.12.01
HUD Payments on Behalf of Native Americans

Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the FS group.

16.08.13
Subsidized Housing

A FS group living in subsidized housing may choose the standard or actual expenses. The household must be billed monthly to qualify for the choice. Individual metering satisfies the individual billing requirement.

16.08.14
Deposits, Charges & Installation

Don't allow one-time utility deposits. Allow initial installation charges for utilities such as telephone, gas, and electricity.

16.08.15
Self Employed

16.08.15.01
SUA

When self-employed persons claim less than 100% of fuel and utility expenses as a business deduction on their tax forms, they may choose the SUA. If all expenses are claimed as a business deduction, there are no fuel and utility expenses.

16.08.15.02
Actual

When a farm or self-employment case chooses actual expenses:

1. Determine total expenses claimed on the FS group's business tax return as a business deduction. Don't count deduction. Don't count them as a part of the group's fuel and utility expenses.
2. Allow only the amount of any fuel and utility expenses in excess of the business deduction. Verify the claimed expenses.

16.08.16
Budgeting

Use the most recent month's bills when processing an application's 2 beginning months. Estimates are not allowed except when a group moves (16.8.5).

16.08.17
Overdue Amounts

Don't count any overdue amounts owed in payment as part of fuel and utility expenses.

16.08.18
Water & Sewer

Don't average water or sewer (waste water treatment) bills or guess which months the expenses were for.

16.08.19
Temporary Absence

Allow shelter and utility expenses for a dwelling the FS group is temporarily absent from when the absence is caused by:

1. Employment or training away from home,
2. Illness, or
3. Abandonment due to a natural disaster or casualty loss.

Don't deduct shelter or utility expenses if:

1. The FS group doesn't intend to return to the home, or
2. Any current occupants of the home receive FS and are being allowed the shelter and/or utility expense deductions, or
3. The FS group rents or leases the home to others during their absence.

16.08.20
Landlord Reimbursements

Tenants may be billed utility expenses for shared or common electrical devices for the benefit of all tenants, but wired through one tenant's meter.

A notice from the landlord to the tenant identifies that cost and the tenant's reimbursement.

Don't deduct the reimbursement.

17.01.00
Allotments

Determine allotments according to the information provided in the Nonfinancial Units and Financial Units. Don't issue an **initial** allotment if it is less than $10. Select the FS group's allotment from the Allotment Table (18.6.0).

17.01.01
FS Groups With1 or 2 Persons

These following rules apply to 1 and 2 person FS groups

1. Categorically eligible (1.3.1) FS groups will get at least a $10 minimum monthly allotment (18.8.0). The only exception is initial prorations.

   The allotment table (18.6.0) covers most cases. However, for a 1 person FS group with income over $1013, and a 2 person FS group with income over $1353, the table doesn't show the minimum $10 allotment. If you find CARES doesn't produce the $10 benefit for a categorically eligible 1 or 2 person FS group, do so through a special action.
2. A mixed categorically eligible (1.3.2) or standard (1.3.3) FS group with income **within** the net income limit will always get at least $10.
3. A mixed categorically eligible or standard FS group with income **above** the net income limit will always be ineligible.

17.01.02
Net Income Limit

The allotment table (18.6.0) goes beyond the net income limit for many categorically eligible FS groups. This is because the categorically eligible are not subject to the net income limit (18.1.0).

17.02.00
Deny Allotment Increases Due To Penalties In Other

Do not increase a FS group's allotment when an individual's benefits under any other federal, state or local means-tested public assistance program are reduced for failure to perform an act required by the other program.

Example: A W-2 participant intentionally fails to comply with a W-2 requirement and is sanctioned $70.00 for non-participation. The W-2 group will only receive a check for $603.00, but CARES will budget the full amount of $673 for FS purposes.

Means-tested public assistance programs include, but are not limited to, W-2 or SSI.

Do not apply this policy if the FS group, or a new individual in the FS group, are determined ineligible for the means-tested program at application. The household must already be receiving benefits, and the failure to comply must result in a reduction, suspension, or termination of those benefits.

No increase in the FS allotment should be made for the duration of the penalty period. If other reductions or changes to the other program's benefits occur during the penalty period which are unrelated to the failure to comply, the FS allotment should be adjusted.

If the person or FS group is subject to a penalty period in both the FS program and another program, apply the FS penalty period first, if the other program's penalty period is longer, that continues after the FS period is completed.

17.03.00
Deny Allotment Increases Due To Fraud In Other Pro

Do not increase a FS group's allotment when a person's benefits under a federal, state or local means-tested public assistance program are reduced because of an act of fraud under that program.

Means-tested benefit programs include, but are not limited to, W-2, or SSI.

No increase in the FS allotment should be made for the duration of the fraud penalty period. If other reductions or changes to the other program's benefits occur during the penalty period, which are unrelated to the fraud, the FS allotment should be adjusted.

17.04.00
Notice of Adverse Action

A notice of adverse or negative action, regarding the termination or reduction of benefits must be mailed at least 10 days before the effective date of the action. When the last of these 10 days falls on a weekend or holiday extend the notice of adverse action period to the next working day. Continue or reinstate FS benefits if you or OAH receive the fair hearing request the first day following the weekend or holiday. Refer to IMM Chapter II, Part G, 2.0.0, and 8.2.0 for greater detail.

The notice period will run from 10 to 13 days depending on the date the notice is mailed.

17.05.00
Re-applications

Give FS groups whose cases have been closed for any period of time prorated benefits for the month they reapply, unless the FS group meets one of the exceptions (17.5.1).

Example. Marge's income increased when she got a new job and her case closed May 31. She lost her job and reapplies on June 16. She is found eligible. Give her prorated benefits for June.

Example. Vera's case closed Nov. 30. She reapplies on Jan. 3 and is found eligible. Give her prorated benefits for January.

17.05.01
Exceptions

Give FS groups whose cases have been closed for less than a month benefits back to the first day of the month when a FS group:

1. Reapplies for FS, but the ESA causes a delay in determining eligibility.

Example: If a household waits until the 10th of the month following the end of its certification period to request recertification, it is a new application. Benefits will be prorated from the tenth of the month. Put new application date on ACPA to get correct prorated benefits.

Example: A household receives notice of an appointment for a recertification interview in the last month of its certification period, July 17th, and cannot attend the appointment because the primary person is working. The household asks to reschedule the appointment, but the next appointment the FS worker has available is August 5th. The household completes the recertification interview on August 5th, and provides all verification by August 8th. Do not prorate benefits for August. Issue benefits from the first of the month. DOCUMENT in CARES.

2. Contains a migrant or seasonal farm worker (17.5.2) who has participated in the FS program during the 30-day period before reapplying.

17.05.02
Migrant and Seasonal Farm Workers

Issue full benefits for migrant or seasonal farm worker FS groups that contain at least one member who has participated in the FS program during the 30-day period before application.

Prorate benefits only for those migrant or seasonal households containing no members who participated during the 30 days before applying.

Example. A migrant household arrives in Wisconsin from Texas on April 20 and applies for FS. Their FS case closed in TX on March 31. Their first month of eligibility (April) is not their initial month. Consider it a continuation of benefits and issue a full allotment for April.

Example. The migrant FS group arrives in Wisconsin on May 5 and applies for FS. Their case closed on March 31 in Texas and they didn't get benefits in April or the start of May. Their initial month is May since it has been more than 30 days since the last receipt of FS. Prorate benefits from the date of application.

17.05.02.01
Migrants With EBT Cards

Migrant workers who arrive from another state with a FS Electronic Benefits Transfer (EBT) card cannot use the card in Wisconsin. If the migrant applies for FS during the same month for which the card was issued, contact the issuing state to ensure that the applicant is not getting duplicate FS.

The EBT state must issue coupons to the migrant or cash out the applicant's account in that state. In this case the migrant applicant is not eligible for FS in Wisconsin during the month benefits were issued in another state.

18.01.01
Income Limits (net)

FS Group Size	**Net Income Limit** (100% FPL)
1	$687
2	$922
3	$1,157
4	$1,392
5	$1,627
6	$1,862
7	$2,097
8	$2,332
9	$2,567
10	$2,802

Each additional member +$235

18.01.02
Income Limits (gross)

FS Group Size	**Gross Income Limit** (130%)
1	$893
2	$1,199
3	$1,504
4	$1,810
5	$2,115
6	$2,421
7	$2,726
8	$3,032
9	$3,338
10	$3,644

Each Additional member $306
See Income Computation Unit before applying the Gross Income Test

18.02.00
Elderly and Disabled Seeking Separate Household Status

Elderly & Disabled Seeking Separate Household Status
See 1.07.01

Household Size	Gross Income Limit (165%)
1	$1,113
2	$1,521
3	$1,909
4	$2,297

5	$2,684
6	$3,072
7	$3,460
8	$3,848
9	$4,236
10	$4,624
Each additional member	+$388

18.03.00
Deductions

Deductions

Type	Amount
Standard	$134
Dependent Care for each dependent:	
under 2	$200
2 and over	$175
Shelter Maximum	$275
Heating Standard	$201
Other Standard	$115
Telephone Standard	$27
Medical (Elderly & Disabled)	expenses over $35

18.04.00
Monthly Maximum Allotment

Monthly Maximum Allotment

FS Group Size	Maximum Allotment
1	$127
2	$234
3	$335
4	$426
5	$506
6	$607
7	$671
8	$767
9	$863
10	$959
Each additional member	$96

18.05.00
Disqualification

Divested Assets over the Group's Asset limit	**# of Months Disqualified**
$>0 -$249.99	One (1)
$250 - $999.99	Three (3)
$1,000 - $2,999.99	Six (6)
$3,000 - $4,999.99	Nine (9)
$5,000 or more	Twelve (12)

19.00.01
Fleeing Felons and Probation and Parole Violators

Deny FS Program eligibility to persons who are fleeing felons and/or probation/parole violators.

A fleeing felon is a person who is fleeing to avoid prosecution, custody or confinement after a felony conviction. A probation and parole violator is a person who is in violation of conditions of probation or parole imposed by state or federal law.

Until the CARES application is revised, obtain felon information by asking the client at application or review if any household members meet the above criteria. Document the response in case comments.

19.00.02
Deeming

If the ineligible person is still in the home, count his or her income, assets, and expenses as if s/he were still a FS group member. See 15.5.0.

19.01.00
Drug Felons

For FS purposes, a drug felon is a person who is convicted of a felony involving the possession, use or distribution of a controlled substance, which he/she committed after August 22, 1996. Crimes committed on or before August 22, 1996, do not make an applicant or recipient ineligible, even if the person is convicted after August 22, 1996.

Continue to deny eligibility to a drug felon unless the person submits to a test for the use of a controlled substance. If the test is negative, the person is eligible for the FS Program. If the test is positive, the person is ineligible for 12 months from application. See 19.1.1 for instructions on regaining eligibility.

The cost of drug testing must be paid for by the local agency. If the drug felon passes the drug test do not test again at each review.

19.01.01
Regaining Eligibility

After 12 months, to regain eligibility the person must submit to a second drug test. If the second drug test is negative the person may be eligible for the FS Program. If the second test results are positive, the person is ineligible for the FS program for an additional 12 months.

19.01.02
Deeming

If the ineligible drug felon is still in the home, deem that person's income, assets, and expenses to the FS group. See 15.06.00.

20.01.00 FS Nonfinancial Worksheet	http://dwdworkweb/notespub/bwiforms/239a/12501.pdf
20.02.00 FS Worksheet (Financial Units)	http://dwdworkweb/notespub/bwiforms/238e/3039.pdf
20.03.00 Work Registration (8.0.0)	http://dwdworkweb/notespub/bwiforms/21d2/DES-2017.pdf
20.05.00 Striker Evaluation (8.0.0)	http://dwdworkweb/notespub/bwiforms/21e6/DES-2054.pdf
20.06.00 Self-employment worksheet - Sole Proprietor (13.0.0)	http://dwdworkweb/notespub/bwiforms/2132/DES-3135.pdf
20.07.00 Self-employment worksheet - Partnership)13.0.0)	http://dwdworkweb/notespub/bwiforms/212e/DES-3134.pdf
20.08.00 Self-employment income worksheet - Corporation (13.0.0)	http://dwdworkweb/notespub/bwiforms/2126/DES-3132.pdf
20.09.00 Self-employment income worksheet - Subchapter S Corporation (13.0.0)	http://dwdworkweb/notespub/bwiforms/212a/DES-3133.pdf
20.10.00 Self-employment Income Report (SEIRF)	http://dwdworkweb/notespub/bwiforms/215a/DES-2131.pdf
20.11.00 Student Financial Aids Report (7.01.00)	http://dwdworkweb/notespub/bwiforms/21da/DES-2032.pdf
20.12.00 Student Aid & Expense Worksheet (7.0.0)	
20.15.00 FS Repayment Agreement	http://dwdworkweb/notespub/bwiforms/21de/DES-2296.pdf
20.16.00 FS Overissuance Worksheet	http://dwdworkweb/notespub/bwiforms/2392/2298.pdf
20.17.00 FS Good Cause Notice	http://dwdworkweb/notespub/bwiforms/211a/DES-2018.pdf
20.18.00 FS Good Cause Claim	http://dwdworkweb/notespub/bwiforms/211e/DES-2019.pdf

21.01.00
Certification

Once a FS group is eligible, the ESS must set a date when s/he reviews eligibility. The FS group is eligible until the review date. Don't continue benefits beyond the review date. Review eligibility for continuation of benefits. If the worker does not complete the review, the case will close at adverse action. If the worker completes the review, but the verification still pending, the case will open for the next month, using the last verified entries. If the requested verification is not received in 10 days from the date of the request, the worker will enter an "NV" and close the case for the following month for failure to provide information.

The time between the application and review date or between reviews is the certification period. Set certification periods using calendar months. The first month is the application month for initial applications, even if eligibility isn't determined until a later month.

CARES will assign the longest certification period possible. The time starts from the application date or the review date. If the current review begins in one month but is not completed until the next month, the next review will be scheduled from the date of completion of the current review.

21.02.00
Review Dates

Use the following rules to schedule review dates.

21.02.01
Normal Date

The standard review date for most groups is 3 months.

21.02.02
W-2 and MA

If members of a FS group on a 3-month certification schedule, also receive W-2 payments or Medicaid, CARES will schedule alternate FS reviews at the same time as the other program's review.

Example. The FS group is scheduled for a review in January and then a second review in April. Most of the group is scheduled for a W-2 re-certification review in May. Do a FS review in January and both a FS and W-2 review in April. If the reviews fall in the same month, but on different days, schedule all reviews on the same day.

21.02.03
Strikers

Review FS groups containing striker or person in a lockout in 1 month or less if they apply before the 15th. If the application is processed after the 15th, review the group in 2 months.

21.02.04
Unstable FS groups

Schedule reviews for FS group who cannot predict future circumstances in 1 or 2 months (agency option). Review FS groups in 1 or 2 months (agency option) when the FS group is likely to have changes in income or group status, for example, a homeless FS group, or migrant workers.

Example. An employed person in the group lost his job. He may be reinstated or start UC in a couple of weeks. Certify the FS group for only 1 or 2 months.

21.02.05
Elderly or Unemployable

Schedule 12 month reviews for households consisting entirely of elderly or unemployable members with stable incomes and circumstances. Examples are SSI and Social Security recipients, and person receiving other pensions or disability payments.

Example: A mother and three minor children, whose only source of income is SSI, is a household consisting entirely of unemployable members with a stable income. Schedule this group for 12 month reviews.

21.02.05.01
Elderly or Unemployable Illegal Aliens

Extend the review periods for up to 12 months for all households consisting entirely of eligible elderly or unemployable legal alien members.

21.02.06
FS Groups certified after the 15th

Add one month to the certification period if the FS group is certified after the 15th in the application month. Do this if:

1. The FS group is eligible for a certification period of 3 months or less, and

2. Circumstances warrant the longer certification period.

The certification period begins with the month following the last month of the previous review period.

21.02.07
Less than three months

FS only cases with review dates of less than 3 months may complete a new CAF or go over the existing CAF with the ESS. Have the client make any necessary changes, initial and date the changes, and resign and re-date the signature page. An agency worker must again witness the signature. The client must complete a new CAF at least once every 3 months. Give the client a CAF and tell him/her when the CAF must be returned.

21.02.08
Three months or more

FS cases with review periods of 3 months or more must complete at least one CAF during the eligibility period.

21.03.00
Telephone/Mail-in Reviews

FS groups on a 3-month re-certification schedule may be eligible for a telephone interview or a mail-in recertification to complete every other FS re-certification. face-to-face interview must occur at least once every six months. The FS agency must grant a request from a FS group for an in-person interview at any time.

21.03.01
Telephone Interviews/Mail-in Recertifications Not Allowed

Do not allow the following FS groups to do a telephone re-certification interview or a mail-in recertification.

1. An individual who has committed an Intentional Program Violation.

2. FS groups whose certification period has expired.

21.03.02
Pre-Interview Process for Telephone Reviews

Generate a manual notice to the FS group informing them that:

1. They are eligible for a telephone interview at their next 3 month review.

2. They must call you for the interview before the expiration of their certification period. Tell them the last date they can call you and still be eligible for the telephone interview.

3. There is a change report form attached. Include instructions that they must complete the form before the interview, then sign and return the change report form at the end of the interview.

4.If they do not want a telephone interview, it is their responsibility to arrange an in-person interview.

You may use the Model Letter (Appendix 20.13.0) or create your own format.

21.03.03
During Interview

At the start of the interview make a verbal agreement with the client that s/he will complete the recertification interview over the phone. Make a note of the agreement in case comments (we suggest ACCC) and include the reason that the FS group was eligible for a telephone interview.

Go over the changes with the client using the review screens in the CARES system. Access the wage database and act on any information that you find. If there are discrepancies in the information, resolve those differences during the interview and/or verification process.

At the end of the interview, review all changes with the client. Instruct the client to sign the change report form and mail it back to you at the FS agency within 10 days.

21.03.04
Verification of Deductions

If the FS household claims deductible expenses during the telephone review or the mail-in recertification, the household must verify the claimed deductions or the deduction will not be allowed.

After the interview, if verification is needed, print out a verification list and send it to the client with instructions to provide the listed documents to the FS worker within 10 days.

If the client fails to provide verification of deductions do not allow the deduction, and do not close the case.

21.03.05
Post-Interview Process

At the conclusion of the telephone interview or after receipt of the mail-in recertification, access AGOR and re-set the W-2 and MA review dates to correspond with the next face-to-face FS interview. A supervisor may need to re-set AGOR.

When the review has been completed, CARES will generate a notice informing the FS group that they have completed their review and what their FS allotment is for the next month.

21.03.06
Penalties

FS agencies that do not make telephone interviews or mail-in recertifications available to eligible FS groups will be subject to penalties.

22.01.00
Underissuance

22.01.01
Restore Benefits

Restore FS when you discover a FS group received fewer benefits than it was entitled to receive. Only restore benefits if the group didn't cause the underissuance. Don't restore benefits if the underissuance occurred more than 12 months before the month:

1. You discover the underissuance.
2. The group notifies you orally or in writing of a possible loss.

Restore benefits even if the FS group is currently ineligible. The FS group doesn't need to request the restoration. Restore the benefits as soon as you discover the error.

The county servicing the case handles the correction if the case is receiving FS. If the case is closed, the county who last serviced the case corrects the error.

22.01.01.01
IPV

Restore benefits for an IPV only if the disqualification is reversed. Compare the allotment the FS group received with what it would have received if the disqualified member had participated. Restore the difference.

The request for a hearing (IMM II, G) is notification the FS group requests restored benefits.

22.01.02
Computing

Calculate the allotment the FS group should have received. Restore the difference between the actual and the correct allotment. Issue the restored benefits in addition to the group's regular allotment.

When a FS group member also receives an AFDC overpayment, include the overpaid AFDC in the FS group income calculations unless the group returns or repays the AFDC overpayment in its issuance month.

As part of your application and review processing, determine if the FS group has any outstanding claims. Use the Case Determination Sheet (CDS), Recoupment Screen, and/or FS Benefit History.

If there is a claim (22.2.1) against the FS group, offset the amount to be restored against the claim. Do this before restoring anything to the FS group. Don't reduce an initial allotment to offset claims.

Example. Vera received $200 in monthly FS. She should have received $220. She owes the agency $10 from an overpayment. Issue a supplement of $10.

If the FS group was eligible but received an incorrect allotment, calculate only for those months the FS group was participating.

If the FS group was found ineligible erroneously, the date the loss first occurred is:

1. Denial or delayed application - use the application month.
2. Erroneously terminated - use the month the loss first occurred.
3. Denial of reapplication - use the month following the expiration of the certification period.

Calculate for each month including the initial date until you correct the error, or you find the FS group ineligible.

Determine if the FS group was eligible in each month affected by the loss. If the case record doesn't show eligibility for those months, tell the FS group what information you need to determine eligibility. If they don't provide the information, the FS group is ineligible for those months.

22.01.03
Notice

Tell the FS group of the restoration in writing. Include:

1. It's entitlement to lost benefits.
2. The amount to be restored.
3. Any offsetting and the method of restoration.
4. Right to appeal.

If you don't have the documents to support entitlement to lost benefits, the group may sign an affidavit explaining its entitlement. The affidavit is signed under penalty of perjury. You, a group member, or the group member's designee can draft the affidavit.

22.01.04
Method of Restoring

Issue an allotment to correct the underissuance, regardless of current eligibility. Issue a FS ID card if the group is not currently eligible and no longer has an ID card.

If the FS group's composition has changed, restore the benefits to the FS group containing the most people who were FS group members when the loss occurred. If you can't find or determine the group with the majority, restore benefits to the primary person at the time of the loss.

Honor reasonable requests to issue corrective benefits in monthly allotments if:

1. The group fears the excess coupons may be stolen, or
2. The amount to be restored is more than they can use in a reasonable time.

Document your calculations and the reason for restoration in the case record.

22.01.05
Fair Hearing

The FS group may request a fair hearing (IMM II, G). The request must be within 90 days of the notification date of the restoration of lost benefits. While the fair hearing is pending, issue the FS group the lost benefits as determined by the agency.

Issue FS based on the fair hearing decision, even if the stamps are undeliverable and returned to inventory. Don't require another fair hearing (when the fair hearing decision was made within the last 12 months) or any other administrative action before you restore lost benefits.

22.02.00
Overissuance

Go to 22.2.1 Claims

22.02.01
Claims

Set up a claim against any FS group that has received more FS than it is entitled to receive. There are three types of overpayment claims: **client error**, **nonclient error**, and **IPV**. Collect claims from all types, regardless of the date of origin. Only collect the amount of the claim.

As part of your application and review processing, determine if the FS group has any outstanding claims. Use the Case Determination Sheet (CDS), Recoupment Screen, and/or FS Benefit History.

22.02.01.01
Liability

All adult FS group members are liable for repayment of any overissued food stamps. If an adult member moves to another household, the claim follows him/her to the new household. Also apply the claim to any remaining adult household members. You may have collection action involving more than 1 household at the same time.

22.02.01.02
Offsetting

Offset when a FS group owes the agency and the agency also owes the FS group. Offset the claim against any amount that hasn't been restored to the FS group. You may use a suspended or terminated claim to offset benefits.

22.02.01.03
Initial Allotment

Never reduce an initial allotment to offset a claim. This includes retroactive initial allotments.

22.02.01.04
Moves

Pursue collection of overissued FS even if the group moves out of your county/tribal area or Wisconsin.

The agency that overissued benefits to the group has the first opportunity to collect an over-issuance. If it doesn't act promptly to collect, and the group moves, the new agency can begin collection action. The new agency must contact the agency that overissued benefits to see if they intend to pursue collection.

22.02.01.05
Local Agency Retention

When the cause of overissuance is client error, you may keep 15% of any collection you make against that overissuance.

When the cause of overpayment is fraud, you may, in some circumstances, keep 15% of any collection. See IMM II, D, 5.1.0 & 6.0.0.

22.02.01.06
Tribal Food Distribution

A FS group can not receive commodities from a Tribal Food

Distribution program and FS at the same time. Make a claim against any group that receives FS in the same month it also participates in a Tribal Food Distribution Program. If the FS group is now receiving:

1. FS and then receives Food Distribution Program commodities in the same month, the Food Distribution agency must process the claim.
2. Food Distribution Program commodities and then receives FS in the same month, the FS agency must process the claim.

22.02.01.07
Reporting

See the Accounting Reports Manual, Chapter IV.

22.02.01.08
Alternate Living Arrangement

Treat an alternate living arrangement as a FS group when the alternate living arrangement acted as the authorized representative when the overissuance occurred.

22.02.02
Notice of Overissuance

Always send a FS Repayment Agreement (20.15.0) and Notice of FS Overissuance (20.14.0) to the client for all types of claims.

When you first tell a group of a new overissuance, send with these two forms and a completed FS Overissuance Worksheet (20.16.0). When you send later notices about the same overissuance, you don't need to send another copy of the worksheet.

Attempt a personal contact with the FS group in your initial collection efforts.

You may request the repayment be brought before the court or addressed in the agreement reached between the prosecutor and accused person.

All Repayment Agreements (20.15.0) are due on the 25th of the month. In all cases, if the FS group is receiving assistance, recoupment will take place. If the client signs and returns the repayment agreement, they are expected to repay monthly with the allotment reduction.

If it is an IPV, client or nonclient error case that isn't receiving FS, and the group doesn't sign and return the FS Repayment Agreement (20.15.0), dunning notices will be issued through CARES. You may pursue other collection action. The State of Wisconsin Central collection unit may also pursue collection action.

For current FS cases, the monthly repayment amount is in addition to the monthly recoupment.

If the group fails to make a scheduled payment or underpays, send a dunning notice which states that that they must contact you to renegotiate the payment schedule.

The group must either:

1. Negotiate a new schedule, or
2. Pay the overdue amount and continue to pay based on the previous schedule.

If the group's financial status hasn't changed enough to warrant renegotiating, you may reduce their allotment for a client error, nonclient error or IPV. You don't have to send a Negative Notice.

22.02.03
Client & Non-Client Error

A client error occurs when the overissuance was caused by an unintended error:

1. On the part of the FS group.
2. On the part of a categorically eligible FS group, provided you can calculate a claim amount based on a change in net income, group size, or both.
3. Due to continuation of benefits pending a fair hearing decision.

A nonclient error occurs when DWD or a local agency:

1. Acts incorrectly.
2. Fails to correct an action.
3. Erroneously found a categorically eligible group eligible, provided you can calculate a claim amount based on a change in net income, FS group size, or both.

If overissuance occurred because of the following, don't establish a nonclient or client error claim. The agency did not ensure that a household:

1. Signed the application form.
2. Completed a current work registration form.
3. Applied in the correct project area.

22.02.03.01
Calculate Client & Nonclient Claims

Make a claim for a **client error** that occurred when the FS group unintentionally:

1. Failed to provide you with correct or complete information.
2. Failed to report a change in household circumstance.
3. Received FS for which it wasn't entitled pending a fair hearing decision.

When overissuance is because the group did not timely report a change, begin with the month you discover the overissuance and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective can't be more than 2 months after the change in circumstance actually occurred.

Example: A group failed to report a change. The last day it should have timely reported the change was the 23rd day of the month, 13 months ago. The earliest the change could have been effective was the 1st of the month, 11 months ago. The latter date is the earliest date you may calculate a claim from.

Do not apply the 20% earned income deduction to earned income which is reported untimely.

When overissuance is because of some other error, the period begins with the month you discover the overissuance and extends backward:

1. Nonclient error: 12 months; or
2. Client error: 6 years.

Make a claim for a **nonclient error** that occurred when the agency:

1. Did not take prompt action on a change the FS group reported.
2. Incorrectly computed the group's income or a deduction.
3. Continued to give the group FS after its eligibility ended.
4. Did not reduce the group's FS to correspond with an AFDC, W-2, SSI, or GR grant increase.

22.02.03.02
Collecting Client and Nonclient Error Claims Again

Establish and collect overissuance claims against participating households unless:

1. You collect the claim through offset.
2. Claims are protected by the Federal Bankruptcy Code.

Do not charge any interest on the claim.

If the client wishes to pay the whole claim at once, s/he may do so.

A participating household is defined as a household or AG which is still open and receiving FS benefits.

22.02.03.03
Collecting Claims for Client & Non Client Errors A

Establish overissuance claims for non-participating households only if the amount of the claim is $125.00 or more.

A non-participating household is defined as a household or AG which is closed and not receiving FS benefits.

22.02.04
IPV

Make an IPV claim only when one of these conditions exist. The food unit member:

1. Signs a waiver of the disqualification hearing.
2. Signs a disqualification consent agreement after being referred for prosecution. (22.2.4)
3. Is found guilty of IPV in an Administrative hearing or judicial proceeding. If you have a pending IPV hearing, handle the claim as a nonclient error. Discuss this with your legal counsel.

If legal counsel advises that processing a claim as a client error may create bias against an IPV judgment, do not process the claim until the IPV determination is made.

22.02.04.01
Calculate IPV Claims

Don't apply the 20% earned income deduction to the unreported earned income. Apply the deduction only to timely reported earned income.

Offset the claim against any amount owed to the group. Start collection action for the remaining balance. Make a personal contact with the FS group if possible.

Start the IPV procedure for collection from its initial step whenever a client error is later determined to be an IPV. You must collect an IPV claim previously handled as a client error claim.

1. Recalculate the claim amount as an IPV type.
2. Send the FS group a new Notice of FS Overissuance showing IPV as the reason (20.14.0).
3. Send a new Notice of Repayment Agreement, 20.15.0

Do not charge any interest on the claim.

When overissuance is because the group member intentionally did not report a change, begin with the month you discover the overissuance and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective can't be more than 2 months after the change in circumstance actually occurred.

When overissuance is because of some other IPV, begin with the month you discover the overissuance and extend backward 6 years. Go back from the discovery date, not the hearing date.

22.02.05
Allotment Reduction

You may collect payments to recover any type of error from a FS group participating in the program by reducing their allotment .

The type of error determines the amount you can recover each month.

1. Client error/Nonclient error. CARES reduces the allotment by the greater of 10% of the group's monthly allotment, or $10 each month. The $10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.
2. IPV. CARES reduces the allotment by the greater of 20% of the group' monthly entitlement or $10 each month. The entitlement is benefits the group would have received if not for the disqualification of a FS group member.

The $10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.

22.02.06
Writing-Off Claims Against Non-Participating House

Claims against non-participating households may be written off if reasonable collection efforts have been made and the debt is determined to be uncollectable. Recommendation to write-off can be made if proper documentation is submitted to demonstrate that the claim meets any of the following criteria:

1. It is found to be invalid in a fair hearing, administrative or judicial decision.
2. It is against a household in which all adult members are deceased and the State does not plan to pursue collection against the estate.
3. It has been discharged through bankruptcy or a bankruptcy stay is in effect.
4. It cannot be substantiated from case records.

5. The state agency has determined, after exhausting collection efforts, that it is not cost-effective to collect the claim. If the request to write off the claim is made on this basis the following criteria should be used:

a. The claim has an outstanding balance of $24 or less and has been past due for 90 days or more.

b. The claim is from $25 to $499 and:

(1) Three past due notices have been sent,

(2) It was referred for tax offset, if the tax offset was successful the account should remain open for 3 years or until paid in full, and

(3) It has been past due for 3 years.

c. The claim is from $500 to $4999 and:

(1) Three past due notices have been sent,

(2) It was referred for tax offset (if the tax offset was successful the account should remain open for 5 years or until paid in full),

(3) It has been considered for referral to a collection agency or credit bureau, and

(4)It has been past due for 5 years.

d. The claim is over $5000 and:

(1) Three past due notices have been sent,

(2) It was referred for tax offset (if the tax offset was successful the account should remain open for 10 years or until paid in full),

(3) It has been considered for referral to a collection agency or credit bureau, and

(4) It has been past due for 10 years.

Documentation of the following information is required:

1. The age of the claims,
2. Actions taken to collect,
3. Documents relevant to the specific claim, e.g., death certificates, bankruptcy discharge orders, administrative or judicial decisions.

Recommendations for the writing-off of claims must be submitted to the Public Assistance Collection Unit P.O. Box 8938, Madison, WI 53708-8938.

22.02.09
Overpaid Claims

If a group has overpaid a claim, refund them the amount overpaid as soon as you discover it. Request reimbursement from DES. Follow the instructions in the Accounting Reports Manual, IV.

22.02.10
Timely Negative Notice

FS issued solely because you can't meet the 10-day negative notice requirement are not an overissuance. Don't recover this type of issuance.

22.02.11
Tax Intercept

DES uses tax intercept from both state and federal tax refunds to recover overpayments from anyone who has become delinquent in repayment of the overissuance.

To use tax intercept, the person must have received three or more dunning notices and the debt must be:

1. Valid and legally enforceable.
2. State: All error types.
   Federal: All error types.
3. State: At least $20.
   Federal: At least $25.
4. State: At least 30 days from notification of overissuance.
   Federal: Not more than 10 years past due from notification date except in fraud cases. There is no delinquency period for fraud.
5. Free from any current appeals.
6. Incurred by someone who has not filed bankruptcy, nor has their spouse.

22.02.11.01
Notice & Review

State intercept notices have a 30 day fair hearing right. The Division of Hearing and Appeals conducts the fair hearing. Federal intercept notices have a 60 day administrative review process. The Public Assistance Collection Unit conducts the administrative desk review. The client must provide evidence showing the claim is not past due, or is not legally enforceable. If the client can't provide that evidence, the case will be sent for intercept.

The case is not subject to the tax intercept while under review or appeal.

22.02.11.02
Repayments

A client who makes a repayment agreement may not be subject to tax offset as long as s/he is meeting the conditions of the agreement. If a client has received three dunning notices, s/he is subject to both tax offset and monthly repayment.

The policies for monthly repayments are listed on the repayment agreements: a) Overpayments less than $500 should be paid by at least $50 monthly installments, b) Overpayments $500 and above should be paid within a three-year period either by equal monthly installments, or by monthly installments - either of which should not be less than $20 per month.