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1850.0000 Child In Care

This chapter discusses income policy for individuals whose income must be considered. Refer to Chapter 2200 to determine which SFU members must have their incomes considered.

The specific income situations discussed in this chapter are:

1. Income Concepts,
2. Wages Included by All Programs,
3. Self-Employment,
4. Wages Received from Training Programs,
5. Real Estate Income,
6. In-Kind Benefits,
7. Support,
8. Assistance from Government Agencies,
9. Benefits,
10. Dividends and Interest,
11. Reimbursements,
12. Student Loans, Grants, and Scholarships, and
13. Personal Loans, Gifts, and Contributions.

1850.0001 Definition of Income (CIC)

Income is cash received at regular intervals from any source such as wages, benefits, contributions, and rentals. Income means all income, earned as well as unearned, from any source unless specifically excluded in this chapter.

1850.0100 INCOME CONCEPTS (CIC)

This section contains a discussion of the following income concepts:

1. earned and unearned income,
2. infrequent or irregular income,
3. availability of income,
4. diversion of income,
5. third party payments,
6. deeming of income, and
7. verification of income.

1850.0101 Earned and Unearned Income (CIC)

Income is classified into two categories for budgeting purposes: earned income and unearned income. All non-exempt income must be verified at application and review unless otherwise specified.

Exempt income is income (earned or unearned) that is excluded from consideration when determining eligibility. Accept the individual's statement for amount and type of exempt income, unless information is questionable or verification is required.

Earned income is the receipt of wages, salary, commission, or profit from an individual's performance of work or services, or a self-employment enterprise.

Unearned income is income for which there is no performance of work or services. Unearned income may include:

1. retirement, disability payments, unemployment/workers' compensation, etc.;
2. annuities, pensions, and other regular payments;
3. alimony and support payments;
4. dividends, interest, and royalties;
5. proceeds of life insurance policies;
6. prizes and awards;
7. gifts and inheritances; and
8. SSA, SSD, and SSI.

1850.0102 Deductions from Gross Income (CIC)

Some deductions withheld from gross income must be included. Examples of these deductions include:

1. premiums for Supplemental Medical Insurance (SMI/Medicare) from a Title II (Social Security) benefit,
2. premiums for health insurance or hospitalization,
3. premiums for life insurance,
4. federal and state income taxes,
5. Social Security taxes,
6. optional deductions,
7. a garnished or seized payment, and
8. guardianship fees.

Note: If the naming of a guardian is a requirement to receive the income, deductions for guardianship fees are disregarded, i.e., are not counted as income. This is the only exception.

1850.0103 Infrequent or Irregular Income (CIC)

Infrequent or irregular earned income not in excess of \$30 in a calendar quarter is excluded when receipt cannot be anticipated. Infrequent or irregular unearned income not in excess of \$60 in a calendar quarter is excluded when receipt can not be anticipated. This includes one-time gifts of cash for special occasions such as birthdays or Christmas from someone whose income is not included in the SFU. If the income is anticipated on a regular basis it will be included regardless of the amount.

1850.0106 Availability of Income (CIC)

Some types of income are readily available to the individual and must be included; however, the individual may have limited or no access to income in certain situations. Some unavailable income may still be included as income.

1850.0108.01 Available Income (CIC)

Income must be available to meet the SFU's needs to be considered, except in the case of lump sum income. Generally, income is considered available when it is actually available and/or when the individual has the legal ability to make the income available.

Exceptions to the policy above:

Occasionally, a regular monthly payment (e.g., Title II or VA) is received in a month other than the month of normal receipt. As long as there is no interruption in the regular payment schedule, consider the funds to be income in the normal month of receipt. Examples of this situation follow:

1. Advance Dated Checks - When a payor advance dates a check because the regular payment date falls on a weekend or holiday, there is no intent to change the normal delivery date. Whenever such an advance dated check goes to a bank by direct deposit, the funds may be posted to the account before or after the month they are payable.
2. Electronic Funds Transfer - When an individual's money goes to a bank by direct deposit, the funds may be posted to the account before or after the month they are payable. Whenever this occurs, treat the electronically transferred funds as income in the month of normal receipt.
3. Florida State Retirement benefits are received the last workday of the month. The payment is considered income in the following month for SSI-Related Programs.
4. Income may be unavailable due to legal restrictions or factors beyond the control of the individual. In both these situations, the eligibility specialist must request supporting evidence and make an independent assessment regarding availability based on the evidence presented. Additional guidance may be requested from the Region or Circuit Program Office, Headquarters, or Circuit Legal Counsel.

1850.0108.02 Government Income Excluded (CIC)

Funds from the following sources are excluded if the individual for whom the funds are specified or intended is not in the SFU:

1. Family Placement Program,
2. Office of Developmental Services,
3. DCF,
4. Home Care for the Elderly Program, and
5. Aging Program Office.

1850.0108.03 Joint Bank Accounts (CIC)

The interest received from bank accounts is excluded as income to the individual.

1850.0112 Payments to Joint Owners (CIC)

Payment to joint owners is one payment made to two or more individuals.

A document, such as a single or combined Social Security check for a couple or to a parent on behalf of two or more children, indicating the amount due each owner is generally sufficient verification of ownership.

In the absence of specific documentation, divide the income minus allowable expenses by the number of beneficiaries to determine the income amount for each individual.

1850.0116 Court Ordered Payments (CIC)

Money deducted or diverted from court ordered support, alimony, or other legally binding agreement and paid to a third party for an assistance group expense will be included as income. However, if the payment is ordered by the court to go directly to the third party rather than the assistance group, the payment will be excluded as a vendor payment.

Example: In the court order, the spouse was ordered to pay \$200 child support each month. He was not ordered to pay the mortgage payment. If the spouse pays the mortgage directly to the mortgage company, in addition to his regular court ordered child support payment, the mortgage payment is considered a vendor payment and is excluded as income. If the spouse took the \$200 he was to pay in child support and paid the mortgage payment instead, then the child support income would continue to count as income to his spouse since the \$200 was court ordered support and this income was diverted to pay the mortgage.

1850.0117 Deeming of Income (CIC)

Deemed income refers to a special budgeting calculation in which a portion of an individual's income is considered available to another SFU member. Individuals whose income may be deemed differ by program. Deemed income is considered as unearned income in the budget.

For policy regarding deeming situations refer to SFU and deeming budgeting methods in Chapter 2600.

1850.0118 Vendor Payments (CIC)

A vendor payment is a money payment made for SFU expenses by an individual or organization outside the SFU from funds not legally owed to the SFU. Vendor payments are excluded as income. Any expense that is entirely paid by a vendor payment (see examples in 1850.0119) cannot be allowed as an expense under the income disregard policy (Chapter 2400).

1850.0119 Examples of Vendor Payments (CIC)

Examples of vendor payments include, but are not limited to, the following:

1. rent payments made directly to the landlord by a third party;
2. rent or mortgage payments made to landlords or mortgagees by DCF, Housing and Urban Development (HUD), or by state or local housing authorities;
3. payments made directly to the utility or phone company by a third party;
4. payments by a government agency to a child care institution to provide day-care for an assistance group individual;
5. disability insurance coverage makes payments on a car due to an accident or illness of an assistance group member. The payment is not voluntary but rather is a specified part of the insurance policy.
6. legal agreement or court ordered payments that go directly to a third party rather than the assistance group; and
7. expense payments by an employer, agency, former spouse, or other person made to a third party from funds not legally owed to the assistance group.

Any payments to the SFU by non-SFU members made directly to a member of the SFU are not vendor payments regardless of the purpose or intent of the payment.

1850.0200 EARNED INCOME (CIC)

Earned income includes all gross (before taxes or other deductions) wages and salaries from performance of work (including wages deferred that are beyond the individual's control). Wages are included as income at the time they are received rather than when earned.

Wages are considered earned income even when withheld at the request of the employee or provided as an income advance on income expected to be earned at a future date. Advances are different from loans since they are paid in exchange for anticipated services or labor.

An individual is considered employed when engaged in a business, occupation or service for cash paid by another person, group of persons or company. Wages or paid salaries received after employment has ended are considered earned income (except for severance pay, which is unearned income). An example of this type of wage is payment for accrued vacation time.

Employer-provided sick pay is earned income as long as the individual plans to return to work after recovering and is still considered an employee. Sick pay is a continuation of salary with normal payroll deductions and is not to be confused with benefits, such as Workers' Compensation, that are considered unearned rather than earned income.

1850.0204 Sale of Blood or Plasma (CIC)

Income derived from the sale of blood or plasma is included as earned income.

1850.0206 Tips (CIC)

The amount of tips reported by the employee will be included as income. Many times an employer will include on the pay stub of the employee an amount the employer must report to the IRS for tax purposes. This is an allocated amount and cannot be interpreted as the amount actually earned or received by the employee. The tip amount reported by the employee can be accepted unless questioned.

In some instances, the employee reports actual tips to the employer. In this instance, the employer can verify actual tips earned. The individual should keep records on a daily basis if the tips are not reported to the employer, so this information can be used for verification.

1850.0207 Verification of Earned Income (CIC)

All case processing is done using information on the CIC Medicaid and Title IV-E applications completed by the Revenue Maximization or Juvenile Justice staff. If additional information is necessary, contact the Revenue Maximization or Juvenile Justice staff. Review any information received through data exchange.

1850.0209.01 Verification of Income (CIC)

All income (included or excluded) must be verified or documented unless otherwise specified.

Income can be verified through a telephone call or collateral contact with the employer or source of income. When verifying by this method the date and source of verbal verification and the date(s) and amount(s) of income received must be recorded.

The individual's statement regarding the amount of earned income is sufficient when authorizing transitional Medicaid.

As a part of verifying last date of employment and last day of pay, any loss of or reduction in income which occurred within the preceding 60 days and the reason for the loss or reduction must be verified when possible. Examples of circumstances that might make verification impossible are when a business closes or when a person for whom child care was provided

moves and the new address is unknown. The reason for the loss or reduction of income will determine whether or not sanctions are necessary.

If documentation or verbal verification is not provided within specified time limits, the assistance group must be determined ineligible for assistance. However, the eligibility specialist must submit a policy exception request to the Region or Circuit Program Office, or at the Region or Circuit's discretion the unit supervisor, if the individual reports an inability to secure required documentation or verification due to factors beyond recipient control. The Region or Circuit Program Office or the unit supervisor, if authorized by the Region or Circuit Program Office, may grant or deny the exception. Refer to passage 1850.0207 for exception to documentation/verification of income that makes the assistance group ineligible.

1850.0209.02 Collateral Contact Verification (CIC)

Verification must be obtained regarding the source and amount of income received. When other sources of verification are unavailable, the following information provided by a collateral contact must be recorded:

1. date verification is received,
2. name and title of person providing verification,
3. source of the income or benefit,
4. date(s) received and amount,
5. benefit claim or identification number for each individual receiving a benefit (ex. SSI, SSDI, VA), and
6. the reason the individual is eligible for the benefit if receiving a benefit (ex. SSI, SSDI, VA).

1850.0209.04 Verification of a Child's Wages (CIC)

Wages of a child whose total income is excluded under the student disregard policy are also excluded from documentation/verification requirements. The applicant's/recipient's statement regarding the amount of income and number of hours employed may be accepted unless questionable.

1850.0300 SELF-EMPLOYMENT (CIC)

An individual who owns a business or otherwise engages in a private enterprise is considered self-employed. Income derived from self-employment is considered earned income.

This includes but is not limited to:

1. babysitting,
2. sales from a franchise company,
3. picking up and selling cans,
4. farm self-employment, and
5. selling newspapers.

Refer to passages 1850.0302 through 1850.0315 to determine net income as well as verification required.

1850.0302 Allowable Costs of Self-Employment Income (CIC)

Allowable costs of producing self-employment income include, but are not limited to, the following expenses. The assistance group is required to keep a record of the expenses incurred in the production of this income:

1. identifiable costs of labor (salaries, employer's share of Social Security, insurance, etc.);
2. stock, raw materials, seed and fertilizer, and feed for livestock;

3. rent and cost of building maintenance;
4. business telephone costs;
5. costs of operating a motor vehicle when required in connection with the operation of the business;
6. interest paid to purchase income producing property;
7. insurance premiums and taxes paid on income producing property;
8. costs for feed for work stock;
9. cost of meals and equipment for children for whom child care is provided in the home; and
10. travel and lodging, but not meals, away from home.

1850.0303 Costs Not Allowed (CIC)

The following expenses will not be allowed as a cost of producing self-employment income:

1. payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery and other durable goods;
2. net losses from previous periods;
3. federal, state and local income taxes, money set aside for retirement purposes and other work related personal expenses (such as transportation to and from work), as these expenses are accounted for by the 20% earned income adjustment and earned income disregards; and
4. depreciation.

The following expenses will not be allowed as a cost of producing self-employment income for TCA, CIC and RAP:

1. depreciation,
2. Social Security and income tax deductions,
3. child care costs (not an allowable expense if he is a child care provider, even if he pays someone else for care), and
4. transportation to and from work.

Note: Business equipment and supplies are considered assets for TCA, CIC, RAP and MFAM. Business equipment and supplies are excluded as assets in FS.

1850.0306 Earned Income from Farming (CIC)

Farming is any activity involving raising crops, livestock, and poultry to sell for profit rather than solely for family consumption. Profits from farming are gross income.

Farming individuals must provide their most recent income tax return to the eligibility specialist. If there is no tax return, the individual must provide bills and receipts or any other records of sales and expenses. The eligibility specialist may consult with the County Agricultural Agent to determine the accuracy of the income and expenses and whether any money from a subsidy, loan, or Government Farm Program has been received.

1850.0307 Allowable Costs (CIC)

Recognized operating costs include:

1. seed,
2. feed,
3. fertilizer,
4. supplies,
5. labor,
6. fuel,
7. pesticides, and

8. machinery rentals.

Depreciation costs are not recognized. Operating costs for the farmer do not include:

1. child care,
2. Social Security, or
3. income tax.

Livestock, farm equipment, and property are considered assets.

1850.0308 Child Care in Own Home (CIC)

Individuals providing child care in their own home are self-employed. The amount anticipated to be received in the month will be used in the benefit calculation.

There is a deduction of \$1.00 per child per day for care of children in the individual's own home. However, the \$1.00 per day deduction cannot be allowed when the child for whom care is provided is a resident of the same dwelling unit as the individual providing care.

The individuals are considered to be providing child care in their own home either when renting, purchasing, or living rent free without shelter cost.

1850.0309 Income for Payment for Room and Board (CIC)

Room and board payments, minus monthly expenses of \$58 per boarder, are included as earned income.

An individual is considered to be providing room and board when prepared meals, shelter, utilities, and linens are given in return for a cash payment.

1850.0315 Verification of Self-Employment Income (CIC)

All case processing is done using information on the CIC Medicaid and Title IV-E applications completed by the Revenue Maximization or Juvenile Justice staff. If additional information is necessary, contact the Revenue Maximization or Juvenile Justice staff. Review any information received through data exchange.

1850.0400 WAGES RECEIVED FROM TRAINING PROGRAMS (CIC)

When the individual participates in a work or on-the-job training program that involves work for payment, the payment is included as income, unless specifically excluded in the following passages. Training allowances from Vocational and Rehabilitative Programs recognized by a government agency are also included income, unless excludable as a reimbursement.

1850.0401 Workforce Investment Act (WIA) (CIC)

The following sections describe exceptions to general WIA income policy that apply to CIC.

1850.0404 WIA Income for Adults (CIC)

All earned income received or anticipated to be received directly from an employer through participation in the WIA Program is included and is subject to the appropriate earned income disregard. This includes earned income paid directly by an employer through the WIA on-the-job training program.

Unearned income from WIA is excluded. Types of payments the individual may receive that would qualify as unearned income include:

1. need based payments,

2. cash assistance, and
3. compensation instead of wages and allowances (this includes payments received for classroom training).

1850.0405 WIA Income for Children (CIC)

A child's earned income from WIA is excluded.

A child's unearned income from WIA is excluded income. The parent/relative caretaker cannot be considered a child. Unearned income includes the same types of payments specified in passage 1850.0404.

1850.0406 Verification of WIA Income (CIC)

Verification should include:

1. source,
2. amount received,
3. date(s) paid,
4. frequency,
5. purpose, and
6. type of payment.

1850.0500 REAL ESTATE INCOME (CIC)

Income from real estate includes any funds resulting from property ownership. This income can be earned or unearned.

Passages 1850.0503.01 through 1850.0503.03 describe income received from rental property, sales contracts on property, and room and board.

1850.0503.01 Rental Income (CIC)

Rental payments are unearned income if the individual does not actively manage the property as a business. Rental income is any payment for using real or personal property less allowable expenses. Examples of rent include payments for the use of:

1. land;
2. buildings;
3. an apartment, room, or house; or
4. machinery or equipment.

Income received from the rental of real estate is considered earned income if the arrangement requires participation by the parent or relative in managing the property. If the property is managed by someone else, the income received from the rental of the real estate is unearned income.

1850.0503.02 Computation of Rental Property Income (CIC)

Income from rental property is computed as follows:

For improved rental property owned by the parent or relative, the earned income is the amount of cash received, or anticipated to be received, minus 25 percent of gross rental receipts if the owner is responsible for upkeep and repairs. A deduction is recognized for taxes and the interest portion of mortgage payments (to the extent interest is a business expense) for property other than the homestead. These deductions cannot be allowed for the AG residence on homestead property, but can be allowed (by prorating rental) for structures on the homestead property.

For unimproved rental property owned by the parent or relative, the earned income is the amount of cash received, or anticipated to be received, minus 15 percent of gross rental receipts if the owner is responsible for upkeep of fences, wells, and the like. A deduction is recognized for taxes and the interest portion of mortgage payments on property other than the homestead.

1850.0503.03 Property Sublet by the Individual (CIC)

When the individual rents property and in turn subleases or rents any part or all of the property, the amount of cash received or anticipated to be received is considered as earned income. No operating costs will be allowed.

1850.0600 IN-KIND BENEFITS (CIC)

Noncash or in-kind benefits are excluded. This includes, but is not limited to:

1. meals,
2. clothing,
3. public housing (HUD),
4. produce from a garden,
5. WIC coupons, and
6. food stamps.

Passages 1850.0601 through 1850.0603 describe general policy for in-kind benefits. There are no other written program specific policies for in-kind benefits.

1850.0601 In-Kind Benefits - Meals/Food (CIC)

The following types of in-kind support are excluded:

1. free or reduced price meals and food from government agencies or schools, service facilities and other institutions recognized under a USDA Program, the Older Americans Act or DCF Program; and
2. the value of the food stamps and WIC coupon allotments.

1850.0602 In-Kind Benefits for Disabled Veterans (CIC)

The clothing allowances for veterans with prosthetic or orthopedic devices are excluded as an in-kind benefit.

1850.0603 Medical and Social Service Programs (CIC)

Medical and social service program payments or in-kind benefits are excluded. Some examples are:

1. child welfare services provided under Title IV-B of the Social Security Act;
2. Title XX services;
3. services provided under Title III of the Older Americans Act;
4. Title XIX medical assistance (Medicaid);
5. Title XVIII health insurance (Medicare);
6. services provided under the Rehabilitation Act of 1973;
7. mental health services;
8. Veterans Administration payments for aid and attendance, unreimbursed medical expenses and housebound allowances;
9. maternal and child health and crippled children's services provided under Title V of the Social Security Act; and
10. payments made to participants of the Consumer Directed Care Plus (CDC+) or Participant Directed Option (PDO).

1850.0700 SUPPORT (CIC)

Support payments are those funds paid by a legal or nonlegal parent intended for the support or maintenance of a member of the SFU. This income is included as unearned income.

Examples of support payments that are included as unearned income are:

1. voluntary and court ordered child support payments received from a legal or nonlegal parent;
2. monies received to pay basic living expenses; and
3. income received for additional living expenses such as recreation and transportation.

The income is considered as the income of the child for whom the payment is intended.

1850.0702 Child Support (CIC)

The following policy is only applicable to Title IV-E:

1. The amount of child support received or anticipated to be received for any member of the standard filing unit (SFU) must be counted as unearned income minus any collection fees charged.
2. When child support arrearages are received or are anticipated to be received for any member of the SFU, the portion designated as support payment for current month should count as unearned income and the remainder as an asset. This is only after collection fees charged are subtracted.

Note: Payments received for a child no longer in the home would count as a contribution.

Exception: Income from the legal or nonlegal father for a minor who is considered a parent (adult) for Temporary Cash Assistance purposes must be considered a contribution. Likewise, monies paid from a biological father when a child already has a legal parent must also be considered a contribution.

The following policy is only applicable to Non Title IV-E:

1. Only income actually received by or available to the child can be considered in the budget computation. The income of the child's parents and relatives is not considered.
2. State collected child support or money collected by fee collections is not counted.

1850.0705 Alimony (CIC)

Alimony is an amount of money allocated from one spouse to another by the court as a result of a divorce or separation agreement. The amount of alimony received or anticipated to be received must be counted as unearned income minus any collection fees charged.

1850.0707 Verification of Support (CIC)

When child support or alimony is received or anticipated, the individual must provide verification at application and review of:

1. the amount received;
2. date payment received and whether it will continue;
3. whether or not payment is court ordered;
4. from whom and to whom the payments are made; and
5. the amount of any collection fee charged.

1850.0800 ASSISTANCE FROM GOVERNMENT AGENCIES (CIC)

Assistance payments are benefits based on applicant or recipient need.

The following topics are discussed in this section:

1. Energy Assistance
2. Programs Administered by HUD/USDA Rural Housing (for Public Housing and utility payments),
3. Vocational Rehabilitation,
4. Disaster Assistance Payments,
5. Foster Care Payments,
6. Developmental Services,
7. Supplemental Security Income (SSI), and
8. Assistance Payments Based on Need.

1850.0801 Energy Assistance (CIC)

Passages 1850.0803.01 and 1850.0803.02 discuss energy assistance payments.

1850.0803.01 LIHEAP Payments (CIC)

Assistance payments received by households from the Low Income Home Energy Assistance Program (LIHEAP) administered by Department of Community Affairs are excluded income.

1850.0803.02 HEA Payments (CIC)

Payments received in the form of home energy assistance (HEA) are excluded if they are based on need and certified by DCF.

Across-the-board rebates from utility companies to all customers are not considered to be based on need.

The source of HEA payment must be verified.

1850.0805 Programs Administered by HUD/USDA Rural Housing (CIC)

Individuals generally can exclude the value of any assistance from the U.S. Department of Housing and Urban Development (HUD) and the USDA Rural Housing (formerly Farmers Home Administration (FmHA)) used to offset their rent or mortgage payments. These payments may be made to landlords or mortgagees.

Passages 1850.0806 and 1850.0807 discuss further policy for payments received for utilities and housing assistance from HUD/USDA Rural Housing.

1850.0806 HUD/USDA Rural Housing Utility Payments (CIC)

When an assistance group lives in subsidized housing, all or a portion of its rent may be paid by HUD or the USDA Rural Housing (formerly Farmers Home Administration (FmHA)). In this situation, a rent deduction may be claimed for the amount the assistance group actually pays. The assistance group may also qualify for a HUD or USDA Rural Housing utility payment.

HUD and USDA Rural Housing utility payments are excluded as income due to these payments being made for the purpose of providing energy assistance. Additionally, when a HUD/USDA Rural Housing utility allowance is used to reduce the amount of rent, this type of "utility allowance" is not to be considered income.

1850.0807 Public Housing (CIC)

Assistance received in cash from public housing authorities is excluded up to the difference between the payment standard and consolidated need standard (CNS). When assistance is received in excess of the maximum exclusion, the excess is considered unearned income in the budget.

1850.0809 Vocational Rehabilitation (CIC)

Assistance from a vocational rehabilitation agency within certain limitations is excluded. The source of income must be verified and documented.

1850.0810 Limit on Rehabilitation Assistance (CIC)

Assistance provided for rehabilitation toward total self-support will not be considered as income if:

1. the assistance is provided by a rehabilitation agency;
2. the plan is made between the individual and a representative of the rehabilitation agency; and
3. the plan is detailed in the case record.

Individuals generally can exclude this assistance for up to 12 months. Income from Vocational Rehabilitation (VR) can be excluded for 36 months.

1850.0811 Disaster Assistance Payments (CIC)

Permanently exclude:

1. payments, including disaster unemployment assistance, received under the Disaster Relief Act of 1974 [P.L. 93-288, Section 312(d)], as amended by the Disaster Relief and Emergency Assistance Amendments of 1988 [P.L. 100-707, Section 105(i)] from income.
2. National Flood Insurance Program (NFIP) payments made under the National Flood Insurance Act of 1968, as amended by Public Law 109-64, enacted on September 20, 2005.

Exclude interest earned on disaster assistance payments from income.

Most Federal Emergency Management Assistance (FEMA) funds are excluded. However, some payments made to homeless people to pay for rent, mortgage, food, and utilities when there is no major disaster or emergency are not excluded under this provision.

Apply this exclusion when:

1. the president determines an emergency or major disaster exists; and
2. the individual was directly affected by the disaster; and
3. the payment is received from a disaster assistance organization or a federal, state or local government.

1850.0816.01 Foster Care Payments (CIC)

Any payments received by a foster care parent from any agency intended to provide for the needs of the foster care children or adults placed in his home are considered the income of that foster care child or adult and are considered excluded income to the foster parent.

1850.0816.02 Foster Care Payments - Independent Living Grant (CIC)

The independent living grant is provided to youth in Independent Living. The grant is excluded in the determination of eligibility as long as the youth has been awarded and participates in the Independent Living Programs which include Postsecondary Educational Services and Support,

Extended Foster Care, or Aftercare Services. Other income is budgeted according to the appropriate Medicaid policy.

Only youth that are awarded in any of the Independent Living Programs may continue to be eligible for Medicaid up to the age of 21 years. Once the youth attains the age of 21, eligibility must be explored under other coverage groups.

1850.0818 Foster Care Teen Parent with Infant (CIC)

Eligibility for Temporary Cash Assistance and Medicaid for the infant of a foster care child varies depending on whether the mother is Title IV-E or non-Title IV-E eligible. The differences are provided below.

If the teen parent is Title IV-E eligible, according to federal policy, the board rate approved by Family Safety must include payment for the infant. The infant is not eligible for Temporary Cash Assistance benefits as the board rate duplicates the purpose of the TCA grant. However, Medicaid benefits for the infant may be explored. The income and assets of the infant, including the foster care payment for the infant, are considered in this determination. The mother's eligibility for Title IV-E benefits is made without consideration of any income or assets of the infant.

If the foster care board rate for the non-Title IV-E teen parent does not include payment for the infant, then the teen parent may apply for Temporary Cash Assistance for the infant. The needs, income and assets of the infant are considered in this determination. Medicaid may be explored whether or not the infant is included in the board payment.

Note: The foster care teen parent (non-Title IV-E), including a teen parent who is a youth in Independent Living, has her needs, income and assets excluded in the infant's eligibility.

1850.0819 Developmental Disability Payments (CIC)

Support Independent Living Arrangement (SILA) payments from the Agency for Persons with Disabilities are excluded up to the difference between the payment standard and consolidated need standard (CNS). When assistance is received in excess of the maximum exclusion, the excess is considered unearned income in the budget. These payments are considered assistance based on need and are paid to disabled individuals moving from group or community homes to independent living situations to assist with living expenses.

1850.0820 Supplemental Security Income (CIC)

Section 1850.0827 discusses program specific policy on the inclusion or exclusion of income received from the Supplemental Security Income (SSI) Program. Supplemental Security Income (SSI) payments are administered by the Social Security Administration.

The SSI individual and the SSI income are both excluded by these programs. Nonrecurring lump sum SSI retroactive payments awarded to active TCA recipients are not considered income or assets for the month of receipt and the month following receipt. Retroactive SSI payments to stepparents and other "deeming" individuals who are not included in the Temporary Cash Assistance group are counted as income in the month of receipt.

1850.0821 EFAHP Payments (CIC)

EFAHP assistance payments are excluded as income.

1850.0824 Assistance Payments Based on Need (CIC)

Passage 1850.0827 discusses policy on treatment of assistance payments. Income based on need, such as Temporary Cash Assistance, Refugee Assistance Program or Refugee

Resettlement Match Grant payments, are included as unearned income unless specifically excluded in the following section.

1850.0827 Assistance Payments (CIC)

Monthly cash payments from another agency (minus training expenses) to meet ongoing maintenance needs as defined by DCF are unearned income unless specifically excluded as such.

Documentation or verification from the agency as to the amount received, frequency, purpose, and type of program is required.

Exception: Emergency payments made by another agency or a nonprofit organization prior to the date the first TCA benefits are received will not be considered income.

1850.0900 BENEFITS (CIC)

Section 1850.0900 (inclusive) discusses types of benefits payable to individuals and their treatment as unearned income, including benefits such as:

1. Social Security payments;
2. private benefit income such as annuities, pensions, retirement, or disability (other than SSA);
3. veterans payments;
4. Agent Orange benefits;
5. workers' compensation;
6. railroad retirement;
7. unemployment benefits;
8. striker support;
9. severance pay; and
10. death benefits.

1850.0901 Verification of Unearned Income (CIC)

All non-exempt unearned income must be verified at application and review unless otherwise specified. The following sources may be used to verify unearned income:

1. BENDEX or SDX tapes,
2. SSA award letter,
3. VA award letter,
4. pension or award letter,
5. Unemployment Compensation award letter, and
6. child support court statement and/or current statement from absent parent.

1850.0903 Gross Benefits (CIC)

The gross benefit amount received, or anticipated to be received, is considered unearned income. Benefits are owned by the individual for whom they are intended unless the individual is not in the home and the benefits are not redirected. Deductions for optional items such as health insurance and Medicare premiums continue to count as income.

1850.0904 SSA Income (CIC)

Benefits that are paid by SSA are unearned income for all programs. These types of benefits include Title II Social Security benefits, SSI, special age 72 payments (PROUTY), and black lung benefits.

For all programs, the gross entitlement amount (prior to any deduction) is entered into the FLORIDA system on AFMI. The cents should not be dropped. (The system automatically drops the cents when calculating the budget for food stamps and SSI-Related Programs.)

Social Security benefits recouped by SSA that are not received by the household are excluded unearned income.

1850.0905 Annuities, Pensions and Retirement (CIC)

Annuities, pensions, retirement or disability payments are all included as unearned income. These payments are the result of purchase of an annuity, retirement from employment, survivor benefits for a former employee's dependents, or injury or disability, and may be made by an employer, an insurance company, or public or private fund.

1850.0906 Veterans Benefits and Payments (CIC)

Veterans' compensation and pensions are based primarily on service in the armed forces and may also be made to the veterans' dependents or survivors. These payments are counted as unearned income. The following are excluded as income:

1. Payments to a natural child of a Vietnam veteran born with spina bifida, except spina bifida occulta, as a result of the exposure of one or both parents to Agent Orange (P.L. 104-204).
2. Payments to a natural child of a woman Vietnam veteran born with one or more birth defects resulting in permanent physical or mental disability (P.L. 106-419).
3. Aid and attendance, a housebound allowance and unreimbursed expenses.

1850.0908 Workers' Compensation Payments (CIC)

Workers' Compensation payments are included as unearned income.

Workers' Compensation payments are awarded to an injured employee or to the employee's survivors. Any portion of the payment designated for medical expenses paid or deducted at the source and not controlled by the individual is excluded from the income amount.

1850.0909 Railroad Retirement Payments (CIC)

Retirement, survivor, unemployment, sickness and strike benefits from railroad payments are included as unearned income. Premiums for medical insurance under Medicare that may have been deducted must be added to the payment amount in determining the amount of unearned income. Entitlement or potential entitlement for railroad benefits should be suspected if the individual's SSN begins with the number "7".

The following are three different railroad retirement benefits:

1. The retirement benefit is payable only to the railroad employee or the employee's spouse. Benefits may be increased because of dependent children; however, the amount of the increase is considered income to the individual rather than the child(ren).
2. The survivor benefit is payable to widows/widowers and children or to dependent parents if no widow(er) or child qualifies.
3. Checks for unemployment, sickness, and strike benefits cover a period up to two weeks.

Retirement and survivor benefits are paid monthly. Payment received in the current month is the amount due the individual for the prior month.

Railroad retirement benefits are adjusted for cost of living at the same time as SSA. However, differences in amounts may exist due to individual case circumstances. Verification of differences

should be made by reviewing an award notice. When contact with the railroad board (RRB) is necessary, contact the local RRB district office, not the RRB in Chicago.

1850.0910 Unemployment Compensation (CIC)

Payments received pursuant to a state or federal unemployment law, or paid by a union or employer are included as unearned income.

1850.0912 Severance Pay (CIC)

Severance pay is included as unearned income.

1850.0914 Energy Employees Occupational Illness Compensation Program (CIC)

Payments made to individuals under the Energy Employees Occupational Illness Compensation Program (EEOICP) Act of 2000 (Public Law 106-398) are excluded as income.

1850.0915 Domestic Volunteer Services Act (CIC)

The following are excluded income:

1. assistance to volunteers who participate in ACTION Programs funded under Public Law 93-113, including VISTA or AmeriCorps VISTA and other programs under Title I of that law; and
2. payments for supportive services or reimbursement for expenses made to volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving on the Service Corps of Retired Executives, Active Corps of Executives, and other programs under Title II and III of the act.

1850.0917 Indian Tribe/Alaskan Native (CIC)

Exclusions include:

1. Any funds distributed per capita to or held in trust for members of any Indian tribe under Public Laws 92-254, 93-134 (Sections 7 and 8), or 94-540 including funding from leases on restricted land and initial purchases made with funds distributed under Public Law 93-134 or Public Law 98-64 (as amended by Public Law 103-66); and
2. Any of the following distributions made to a household, individual or descendant of a native, by a Native Corporation established by the Alaska Native Claims Settlement Act (Public Law 92-203 as amended):
 - a. per capita payments of \$2,000 or less per year including cash dividends on stock from a Native Corporation.
 - b. stocks (including stock issued or distributed by a Native Corporation as a dividend or distribution on stock),
 - c. a partnership interest,
 - d. land or interest in land (including land or interest in land received from a Native Corporation as a dividend or distribution on stock), and
 - e. an interest in a settlement trust.

1850.0922 Crime Victim Compensation Program (CIC)

Exclude payments received under this program that offers compensation to victims and survivors of victims of criminal violence, including drunk driving and domestic violence (P.L. 103-322).

1850.0923 Experimental Housing Allowance (CIC)

Payments under the Experimental Housing Allowance Program from contracts entered into prior to January 1, 1975, are excluded.

1850.0924 Earned Income Tax Credit and Child Tax Credit (CIC)

Payments from federal income taxes for earned income tax credit and child tax credit, including any retroactive payments, are excluded as income in the determination of eligibility, including the 185% test.

1850.0925 Radiation Exposure Compensation Act (CIC)

Payments to compensate individuals or their survivors who have become ill or died as a result of exposure to radiation from nuclear testing and uranium mining, pursuant to the Radiation Exposure Compensation Act, are excluded as income.

1850.0927 Maine Indian Claims Settlement Act (CIC)

Funds received by a member of the Passamaquoddy Indian Tribe, the Penobscot Nation, or the Houlton Band of Maliseet Indians pursuant to the Maine Indian Claims Settlement Act of 1980 will be disregarded as income and assets in the determination of eligibility for and the amount of benefits under the TCA Program.

1850.0931 National and Community Services Trust (CIC)

Payments, other than for living allowances, under the National and Community Services Trust Act (NCSTA) of 1993 (P.L. 103-82) are excluded as income.

NCSTA projects for youth in Florida are operated through the Florida Conservation Corps. The project name is the Florida Youth Conservation Corps. Yearly contracts are renewed in early October of each year.

The NCSTA of 1993 revised the National and Community Services Act (NCSA) of 1990 and established a corporation for National and Community Service.

The corporation established by the NCSTA administers all national service programs. These include:

1. the Senior Corps, for participants over the age of 55;
2. the Youth Corps, for participants 14-17 years of age;
3. Learn and Serve, for participants in grades K-12; and
4. the AmeriCorps Network of Programs (also known as AmeriCorps State/National Programs).

There are also summer programs in each of these program areas.

1850.1000 DIVIDENDS AND INTEREST (CIC)

Dividends and interest from investments such as stocks, bonds, insurance, and savings are excluded as unearned income. Insurance cash coupons that accrue under an insurance policy will be taken into consideration when determining the asset value of the policy and are not considered income.

1850.1006 Mortgages (CIC)

The interest portion of the payment on a mortgage is excluded as unearned income. The principal portion on the outstanding balance of the mortgage is considered an asset.

1850.1100 REIMBURSEMENTS (CIC)

Reimbursements for past or future expenses are excluded if they do not exceed actual expenses and do not represent a gain or benefit. To be excluded, these payments must be specifically intended and used for expenses other than normal living expenses.

Any part of the reimbursement amount that exceeds the actual expense is included as income. However, reimbursements are not considered to exceed actual expenses, unless the amount is excessive.

Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore, are included as income.

The following types of reimbursement are excluded as income:

1. Reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policy Act.
2. Reimbursements or flat allowances from the employer that are over and above the basic wages and used for job related expenses such as travel, per diem, uniforms, and transportation to and from the job training site.
3. Reimbursements for out-of-pocket expenses incurred by volunteers in the course of their work.
4. Medical reimbursements from Workers' Compensation benefits specifically designated for medical expenses.
5. Reimbursements by Employment and Training Programs.
6. The yearly clothing allowances received from the Veterans Administration for veterans with service connected disabilities which require the wearing or use of prosthetic or orthopedic devices are excluded as income.
7. Any payment received by licensed foster parents from any agency intended to provide for the needs of foster children or adults placed in their home is excluded as income.
8. The employment related expenses reimbursement received by a participant in the WAGES Employment and Training Program is excluded as income.

1850.1200 STUDENT LOANS, GRANTS, AND SCHOLARSHIPS (CIC)

All Title IV and Non-Title IV income a student receives from scholarships, educational grants, gifts, loans and work study are excluded as income. This includes federal Perkins loans authorized under Title IV and Bureau of Indian Affairs Programs and loans. These sources generally apply to students attending a college or other institution of higher education beyond the high school level. The total grant amount received by the young adult participating in one of the Independent Living Programs (Postsecondary Educational Services and Support, Extended Foster Care, or Aftercare Services) is excluded in all Medicaid eligibility determinations for all members.

1850.1206 Verification of Educational Income (CIC)

All student income from educational grants, gifts, scholarships, and loans must be verified if questionable. Case record documentation must include the name of the educational institution and the amounts of any grants, gifts, scholarships and loans. The asset exclusions for these programs apply as income exclusions.

The eligibility specialist may obtain this information by phoning the school or loan office or the grantor of the educational income. The eligibility specialist must record the name, position, and phone number of the person providing the information.

A written agreement with the lending institution or grantor of the educational income that contains the necessary dates and that is signed by the individual will also serve as documentation.

1850.1300 INCOME FROM OTHER SOURCES (CIC)

This section presents the application of policy for other sources of income.

1850.1301 Loans (CIC)

All loans, including loans from private individuals as well as commercial institutions with intent to repay, are excluded income.

When the eligibility specialist questions that a loan exists, the individual must verify the existence of the loan. A signed statement from the loan provider that confirms that repayments are being made or will be made in accordance with an established payment schedule is sufficient.

When an individual is the **borrower**:

Proceeds of a valid loan received by the borrower are not income in the month of receipt. If the loan is determined not to be valid, the proceeds are considered income in the month received. The amount remaining from the loan in the month following receipt is considered as an asset to the borrower.

When an individual is the **lender**:

If the loan is determined to be valid and negotiable, the loan is a countable asset; only the interest portion of the payment received is excluded as income to the lender. The principal portion of the payment is conversion of an asset, not income. If the loan is determined to be not valid and not negotiable the loan is not a countable asset, the entire payment received (principal and interest) is counted as income.

1850.1302 Contributions (CIC)

All direct money payments from any source that represent gain or benefit to the individual are included as unearned income.

A contribution is cash received by any member of the standard filing unit. A contribution may be received on a one-time basis or on regular or irregular intervals.

An allowance is considered a contribution when paid to an individual by a person outside the individual's standard filing unit. This would apply to money from a non-legal father when there is a legal father.

The individual must provide verification of the amount received as a gift or contribution. When written verification is unavailable, documentation must include the following information:

1. date oral verification received,
2. source of verification,
3. source of funds,
4. date made, and
5. the amount.

Standard verbal verification policy applies. If the individual is unable to obtain verification, a request for exception to verification of income may be submitted to the Region or Circuit Program Office. The Region or Circuit Program Office may grant the supervisor the authority to approve or to deny the policy exception.

1850.1304 Gifts (CIC)

A gift may be excluded if it is infrequent or irregular. To be a gift, an item must meet the following requirements:

1. must be given irrevocably;
2. must not be compensation or return for services or other consideration; and
3. must be given without legal obligation on the part of the donor.

1850.1305 Prizes and Awards (CIC)

Cash prizes and cash awards are included as income unless they can be excluded as infrequent or irregular.

If a prize or award is not substantial, then the eligibility specialist must consider whether it may be excluded from income as infrequent/irregular income.

1860.0000 Refugee Assistance Program

This chapter discusses income policy for individuals whose income must be considered. Refer to Chapter 2200 to determine which SFU members must have their incomes considered.

The specific income situations discussed in this chapter are:

1. Income Concepts,
2. Wages Included by All Programs.
3. Self-Employment,
4. Wages Received from Training Programs,
5. Real Estate Income,
6. In-Kind Benefits,
7. Support,
8. Assistance from Government Agencies,
9. Benefits,
10. Dividends and Interest,
11. Reimbursements,
12. Student Loans, Grants, and Scholarships, and
13. Personal Loans, Gifts, and Contributions.

1860.0001 Definition of Income (RAP)

Income is cash received at regular intervals from any source such as wages, benefits, contributions, and rentals. Income means all income, earned as well as unearned, from any source unless specifically excluded in this chapter.

1860.0100 INCOME CONCEPTS (RAP)

This section contains a discussion of the following income concepts:

1. earned and unearned income,
2. infrequent or irregular income,
3. availability of income,
4. diversion of income,
5. third party payments,
6. deeming of income, and
7. verification of income.

1860.0101 Earned and Unearned Income (RAP)

Income is classified into two categories for budgeting purposes: earned income and unearned income. All non-exempt income must be verified at application and review unless otherwise specified.

Exempt income is income (earned or unearned) that is excluded from consideration when determining eligibility. Accept the individual's statement for amount and type of exempt income, unless information is questionable or verification is required.

Earned income is the receipt of wages, salary, commission, or profit from an individual's performance of work or services, or a self-employment enterprise.

Unearned income is income for which there is no performance of work or services. Unearned income may include:

1. retirement, disability payments, unemployment/workers' compensation, etc.;
2. annuities, pensions, and other regular payments;
3. alimony and support payments;
4. dividends, interest, and royalties;
5. proceeds of life insurance policies;
6. prizes and awards;
7. gifts and inheritances; and
8. SSA, SSD, and SSI.

1860.0102 Deductions from Gross Income (RAP)

Some deductions withheld from gross income must be included. Examples of these deductions include:

1. premiums for Supplemental Medical Insurance (SMI/Medicare) from a Title II (Social Security) benefit,
2. premiums for health insurance or hospitalization,
3. premiums for life insurance,
4. federal and state income taxes,
5. Social Security taxes,
6. optional deductions,
7. a garnished or seized payment, and
8. guardianship fees.

Note: If the naming of a guardian is a requirement to receive the income, deductions for guardianship fees are disregarded, i.e., are not counted as income. This is the only exception.

1860.0103 Infrequent or Irregular Income (RAP)

Infrequent or irregular earned income not in excess of \$30 in a calendar quarter is excluded when receipt cannot be anticipated. Infrequent or irregular unearned income not in excess of \$60 in a calendar quarter is excluded when receipt can not be anticipated. This includes one-time gifts of cash for special occasions such as birthdays or Christmas from someone whose income is not included in the SFU. If the income is anticipated on a regular basis it will be included regardless of the amount.

1860.0106 Availability of Income (RAP)

Some types of income are readily available to the individual and must be included; however, the individual may have limited or no access to income in certain situations. Some unavailable income may still be included as income.

1860.0108.01 Available Income (RAP)

Income must be available to meet the SFU's needs to be considered, except in the case of lump sum income. Generally, income is considered available when it is actually available and/or when the individual has the legal ability to make the income available.

Exceptions to the policy above:

Occasionally, a regular monthly payment (e.g., Title II or VA) is received in a month other than the month of normal receipt. As long as there is no interruption in the regular payment schedule, consider the funds to be income in the normal month of receipt. Examples of this situation follow:

1. Advance Dated Checks - When a payor advance dates a check because the regular payment date falls on a weekend or holiday, there is no intent to change the normal delivery date. Whenever such an advance dated check goes to a bank by direct deposit, the funds may be posted to the account before or after the month they are payable.
2. Electronic Funds Transfer - When an individual's money goes to a bank by direct deposit, the funds may be posted to the account before or after the month they are payable. Whenever this occurs, treat the electronically transferred funds as income in the month of normal receipt.
3. Florida State Retirement benefits are received the last workday of the month. The payment is considered income in the following month for SSI-Related Programs.
4. Income may be unavailable due to legal restrictions or factors beyond the control of the individual. In both these situations, the eligibility specialist must request supporting evidence and make an independent assessment regarding availability based on the evidence presented. Additional guidance may be requested from the Region or Circuit Program Office, Headquarters, or Circuit Legal Counsel.

1860.0108.02 Government Income Excluded (RAP)

Funds from the following sources are excluded if the individual for whom the funds are specified or intended is not in the SFU:

1. Family Placement Program,
2. Office of Developmental Services,
3. DCF,
4. Home Care for the Elderly Program, and
5. Aging Program Office.

1860.0108.03 Joint Bank Accounts (RAP)

The interest received from bank accounts is excluded as income to the individual.

1860.0112 Payments to Joint Owners (RAP)

Payment to joint owners is one payment made to two or more individuals.

A document, such as a single or combined Social Security check for a couple or to a parent on behalf of two or more children, indicating the amount due each owner is generally sufficient verification of ownership.

In the absence of specific documentation, divide the income minus allowable expenses by the number of beneficiaries to determine the income amount for each individual.

1860.0116 Court Ordered Payments (RAP)

Money deducted or diverted from court ordered support, alimony, or other legally binding agreement and paid to a third party for an assistance group expense will be included as income. However, if the payment is ordered by the court to go directly to the third party rather than the assistance group, the payment will be excluded as a vendor payment.

Example: In the court order, the spouse was ordered to pay \$200 child support each month. He was not ordered to pay the mortgage payment. If the spouse pays the mortgage directly to the mortgage company, in addition to his regular court ordered child support payment, the mortgage payment is considered a vendor payment and is excluded as income. If the spouse took the \$200 he was to pay in child support and paid the mortgage payment instead, then the child support income would continue to count as income to his spouse since the \$200 was court ordered support and this income was diverted to pay the mortgage.

1860.0117 Deeming of Income (RAP)

Deemed income refers to a special budgeting calculation in which a portion of an individual's income is considered available to another SFU member. Individuals whose income may be deemed differ by program. Deemed income is considered as unearned income in the budget.

For policy regarding deeming situations refer to SFU and deeming budgeting methods in Chapter 2600.

1860.0118 Vendor Payments (RAP)

A vendor payment is a money payment made for SFU expenses by an individual or organization outside the SFU from funds not legally owed to the SFU. Vendor payments are excluded as income. Any expense that is entirely paid by a vendor payment (see examples in 1860.0119) cannot be allowed as an expense under the income disregard policy (Chapter 2400).

1860.0119 Examples of Vendor Payments (RAP)

Examples of vendor payments include, but are not limited to, the following:

1. rent payments made directly to the landlord by a third party;
2. rent or mortgage payments made to landlords or mortgagees by DCF, Housing and Urban Development (HUD), or by state or local housing authorities;
3. payments made directly to the utility or phone company by a third party;
4. payments by a government agency to a child care institution to provide day-care for an assistance group individual;
5. disability insurance coverage makes payments on a car due to an accident or illness of an assistance group member. The payment is not voluntary but rather is a specified part of the insurance policy.
6. legal agreement or court ordered payments that go directly to a third party rather than the assistance group; and
7. expense payments by an employer, agency, former spouse, or other person made to a third party from funds not legally owed to the assistance group.

Any payments to the SFU by non-SFU members made directly to a member of the SFU are not vendor payments regardless of the purpose or intent of the payment.

1860.0200 EARNED INCOME (RAP)

Earned income includes all gross (before taxes or other deductions) wages and salaries from performance of work (including wages deferred that are beyond the individual's control). Wages are included as income at the time they are received rather than when earned.

Wages are considered earned income even when withheld at the request of the employee or provided as an income advance on income expected to be earned at a future date. Advances are different from loans since they are paid in exchange for anticipated services or labor.

An individual is considered employed when engaged in a business, occupation or service for cash paid by another person, group of persons or company. Wages or paid salaries received after employment has ended are considered earned income (except for severance pay, which is unearned income). An example of this type of wage is payment for accrued vacation time.

Employer-provided sick pay is earned income as long as the individual plans to return to work after recovering and is still considered an employee. Sick pay is a continuation of salary with normal payroll deductions and is not to be confused with benefits, such as Workers' Compensation, that are considered unearned rather than earned income.

1860.0204 Sale of Blood or Plasma (RAP)

Income derived from the sale of blood or plasma is included as earned income.

1860.0206 Tips (RAP)

The amount of tips reported by the employee will be included as income. Many times an employer will include on the pay stub of the employee an amount the employer must report to the IRS for tax purposes. This is an allocated amount and cannot be interpreted as the amount actually earned or received by the employee. The tip amount reported by the employee can be accepted unless questioned.

In some instances, the employee reports actual tips to the employer. In this instance, the employer can verify actual tips earned. The individual should keep records on a daily basis if the tips are not reported to the employer, so this information can be used for verification.

1860.0207 Verification of Earned Income (RAP)

All non-exempt earned income must be verified at application and review unless otherwise specified.

All non-exempt earned income must be verified by the employer. Information that must be verified includes:

1. the first and last dates of employment,
2. the first and last day of pay,
3. gross income including overtime and tips,
4. frequency of payment,
5. the day of the week payment is received, and
6. the number of hours and days employed.

Note: Verification of terminated income from the employer, including the amount and date of last pay, is only required for an applicant when income is received in the month of application. The individual's statement is acceptable for income terminating prior to the month of application.

Acceptable forms of verification include, but are not limited to, the following:

1. W-2 forms and income tax returns for self-employed individuals,
2. wage receipts,
3. wage statements,
4. pay stubs,
5. employment verification form or written statements containing the required information,
6. collateral contact with employer, or
7. work calendar (for tips and daily cash payments).

Any document used to verify income must be copied and retained in the case record. All documents must be completed and signed by the appropriate individuals (for example, the employer, the recipient). Exceptions follow:

1. The individual's statement that his income exceeds the income standard is sufficient to deny or close FS, TCA, and RAP benefits. However, medical assistance cannot be denied/closed without an ex parte determination of Medicaid eligibility. Verification of income must be pursued for these situations in which the individual/AG appears to be Medicaid eligible.
2. When documentation/verification of income that makes the assistance group ineligible cannot be obtained prior to the advance notice deadline, the case manager must redetermine the assistance group's eligibility based on its statement to avoid overpayment. In this situation, the cost of child care can be disregarded without verification.
3. The individual's statement regarding the begin date and amount of earned income is sufficient when authorizing transitional Medicaid.

1860.0209.01 Verification of Income (RAP)

All non-exempt income must be verified at application and review unless otherwise specified.

Income can be verified through a telephone call or collateral contact with the employer or source of income. When verifying by this method the date and source of verbal verification and the date(s) and amount(s) of income received must be recorded.

The individual's statement regarding the amount of earned income is sufficient when authorizing transitional Medicaid.

As a part of verifying last date of employment and last day of pay, any loss of income which occurred within the month of application must be verified when possible. Examples of circumstances that might make verification impossible are when a business closes or when a person for whom child care was provided moves and the new address is unknown. The individual's statement is acceptable for any loss of income prior to the month of application.

If documentation or verbal verification is not provided within specified time limits, the assistance group must be determined ineligible for assistance. However, the eligibility specialist must submit a policy exception request to the Region or Circuit Program Office, or at the Region or Circuit's discretion the unit supervisor, if the individual reports an inability to secure required documentation or verification due to factors beyond recipient control. The Region or Circuit Program Office or the unit supervisor, if authorized by the Region or Circuit Program Office, may grant or deny the exception. Refer to passage 1860.0207 for exception to documentation/verification of income that makes the assistance group ineligible.

1860.0209.02 Collateral Contact Verification (RAP)

Verification must be obtained regarding the source and amount of income received. When other sources of verification are unavailable, the following information provided by a collateral contact must be recorded:

1. date verification is received,
2. name and title of person providing verification,
3. source of the income or benefit,
4. date(s) received and amount,
5. benefit claim or identification number for each individual receiving a benefit (ex. SSI, SSDI, VA), and
6. the reason the individual is eligible for the benefit if receiving a benefit (ex. SSI, SSDI, VA).

1860.0209.04 Verification of a Child's Wages (RAP)

Wages of a child whose total income is excluded under the student disregard policy are also excluded from documentation/verification requirements. The applicant's/recipient's statement regarding the amount of income and number of hours employed may be accepted unless questionable.

1860.0300 SELF-EMPLOYMENT (RAP)

An individual who owns a business or otherwise engages in a private enterprise is considered self-employed. Income derived from self-employment is considered earned income.

This includes but is not limited to:

1. babysitting,
2. sales from a franchise company,
3. picking up and selling cans,
4. farm self-employment, and
5. selling newspapers.

Refer to passages 1860.0302 through 1860.0315 to determine net income as well as verification required.

1860.0302 Allowable Costs of Self-Employment Income (RAP)

Allowable costs of producing self-employment income include, but are not limited to, the following expenses. The assistance group is required to keep a record of the expenses incurred in the production of self-employment income:

1. identifiable costs of labor (salaries, employer's share of Social Security, insurance, contract labor, commission, etc.);
2. stock, raw materials, seed and fertilizer, and feed for livestock;
3. rent and cost of building maintenance;
4. business telephone costs;
5. costs of operating a motor vehicle when required in connection with the operation of the business;
6. interest paid to purchase income producing property;
7. insurance premiums and property taxes paid on income producing property;
8. costs for feed for work stock;
9. cost of meals and equipment for children for whom child care is provided in the home; and
10. travel and lodging, but not meals, away from home.

1860.0303 Costs Not Allowed (RAP)

The following expenses will not be allowed as a cost of producing self-employment income:

1. payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery and other durable goods;
2. net losses from previous periods;
3. federal, state and local income taxes, money set aside for retirement purposes and other work-related personal expenses (such as transportation to and from work), as these expenses are accounted for by the 20% earned income adjustment and earned income disregards;
4. depreciation; and
5. child care costs (not an allowable expense if he/she is a child care provider, such as babysitters/licensed providers, even if he/she pays someone else for care).

Note: Business equipment and supplies are considered assets for TCA, CIC, RAP and MFAM. Business equipment and supplies are excluded as assets in FS.

1860.0306 Earned Income from Farming (RAP)

Farming is any activity involving raising crops, livestock, and poultry to sell for profit rather than solely for family consumption. Profits from farming are gross income.

Farming individuals must provide their most recent income tax return to the eligibility specialist. If there is no tax return, the individual must provide bills and receipts or any other records of sales and expenses. The eligibility specialist may consult with the County Agricultural Agent to determine the accuracy of the income and expenses and whether any money from a subsidy, loan, or Government Farm Program has been received.

1860.0307 Allowable Costs (RAP)

Recognized operating costs include:

1. seed,
2. feed,
3. fertilizer,
4. supplies,
5. labor,
6. fuel,
7. pesticides, and
8. machinery rentals.

Depreciation costs are not recognized. Operating costs for the farmer do not include:

1. child care,
2. Social Security, or
3. income tax.

Livestock, farm equipment, and property are considered assets.

1860.0308 Child Care in Own Home (RAP)

Individuals providing child care in their own home are self-employed. The amount anticipated to be received in the month will be used in the benefit calculation.

There is a deduction of \$1.00 per child per day for care of children in the individual's own home. However, the \$1.00 per day deduction cannot be allowed when the child for whom care is provided is a resident of the same dwelling unit as the individual providing care.

The individuals are considered to be providing child care in their own home either when renting, purchasing, or living rent free without shelter cost.

1860.0309 Income for Payment for Room and Board (RAP)

Room and board payments, minus monthly expenses of \$58 per boarder, are included as earned income.

An individual is considered to be providing room and board when prepared meals, shelter, utilities, and linens are given in return for a cash payment.

1860.0315 Verification of Self-Employment Income (RAP)

Self-employed individuals must verify earned income at application and review. In addition, these individuals must make all business records available to the eligibility specialist. Examples of business records include documentation on:

1. income tax records necessary to determine gross income and deductible expenses,
2. purchases,
3. sales,
4. salaries,
5. capital improvements,
6. utility, transportation, and other operating costs, and
7. work calendars for tips and recording pay as received.

If the individual claims to have no business records, or that the records are inaccurate, discuss with the individual their most recent representative income. CLRC should explain how the income was determined.

1860.0400 WAGES RECEIVED FROM TRAINING PROGRAMS (RAP)

When the individual participates in a work or on-the-job training program that involves work for payment, the payment is included as income, unless specifically excluded in the following passages. Training allowances from Vocational and Rehabilitative Programs recognized by a government agency are also included income, unless excludable as a reimbursement.

1860.0401 Workforce Investment Act (WIA) (RAP)

The following sections describe exceptions to general WIA income policy that apply to RAP.

1860.0404 WIA Income for Adults (RAP)

All earned income received or anticipated to be received directly from an employer through participation in the WIA Program is included and is subject to the appropriate earned income disregard. This includes earned income paid directly by an employer through the WIA on-the-job training program.

Unearned income from WIA is excluded. Types of payments the individual may receive that would qualify as unearned income include:

1. need based payments,
2. cash assistance, and
3. compensation instead of wages and allowances (this includes payments received for classroom training).

1860.0405 WIA Income for Children (RAP)

A child's earned income from WIA is excluded.

A child's unearned income from WIA is excluded income. The parent/relative caretaker cannot be considered a child. Unearned income includes the same types of payments specified in passage 1860.0404.

1860.0406 Verification of WIA Income (RAP)

Verification should include:

1. source,
2. amount received,
3. date(s) paid,
4. frequency,
5. purpose, and
6. type of payment.

1860.0500 REAL ESTATE INCOME (RAP)

Income from real estate includes any funds resulting from property ownership. This income can be earned or unearned.

Passages 1860.0503.01 through 1860.0503.03 describe income received from rental property, sales contracts on property, and room and board.

1860.0503.01 Rental Income (RAP)

Rental payments are unearned income if the individual does not actively manage the property as a business. Rental income is any payment for using real or personal property less allowable expenses. Examples of rent include payments for the use of:

1. land;
2. buildings;
3. an apartment, room, or house; or
4. machinery or equipment.

Income received from the rental of real estate is considered earned income if the arrangement requires participation by the parent or relative in managing the property. If the property is managed by someone else, the income received from the rental of the real estate is unearned income.

1860.0503.02 Computation of Rental Property Income (RAP)

Income from rental property is computed as follows:

For improved rental property owned by the parent or relative, the earned income is the amount of cash received, or anticipated to be received, minus 25 percent of gross rental receipts if the owner is responsible for upkeep and repairs. A deduction is recognized for taxes and the interest portion of mortgage payments (to the extent interest is a business expense) for property other than the homestead. These deductions cannot be allowed for the AG residence on homestead property, but can be allowed (by prorating rental) for structures on the homestead property.

For unimproved rental property owned by the parent or relative, the earned income is the amount of cash received, or anticipated to be received, minus 15 percent of gross rental receipts if the owner is responsible for upkeep of fences, wells, and the like. A deduction is recognized for taxes and the interest portion of mortgage payments on property other than the homestead.

1860.0503.03 Property Sublet by the Individual (RAP)

When the individual rents property and in turn subleases or rents any part or all of the property, the amount of cash received or anticipated to be received is considered as earned income. No operating costs will be allowed.

1860.0600 IN-KIND BENEFITS (RAP)

Noncash or in-kind benefits are excluded. This includes, but is not limited to:

1. meals,
2. clothing,
3. public housing (HUD),
4. produce from a garden,
5. WIC coupons, and
6. food stamps.

Passages 1860.0601 through 1860.0603 describe general policy for in-kind benefits. There are no other written program specific policies for in-kind benefits.

1860.0601 In-Kind Benefits - Meals/Food (RAP)

The following types of in-kind support are excluded:

1. free or reduced price meals and food from government agencies or schools, service facilities and other institutions recognized under a USDA Program, the Older Americans Act or DCF Program; and
2. the value of the food stamps and WIC coupon allotments.

1860.0602 In-Kind Benefits for Disabled Veterans (RAP)

The clothing allowances for veterans with prosthetic or orthopedic devices are excluded as an in-kind benefit.

1860.0603 Medical and Social Service Programs (RAP)

Medical and social service program payments or in-kind benefits are excluded. Some examples are:

1. child welfare services provided under Title IV-B of the Social Security Act;
2. Title XX services;
3. services provided under Title III of the Older Americans Act;
4. Title XIX medical assistance (Medicaid);
5. Title XVIII health insurance (Medicare);
6. services provided under the Rehabilitation Act of 1973;
7. mental health services;
8. Veterans Administration payments for aid and attendance, unreimbursed medical expenses and housebound allowances;
9. maternal and child health and crippled children's services provided under Title V of the Social Security Act; and
10. payments made to participants of the Consumer Directed Care Project.

1860.0700 SUPPORT (RAP)

Support payments are those funds paid by a legal or nonlegal parent intended for the support or maintenance of a member of the SFU. This income is included as unearned income.

Examples of support payments that are included as unearned income are:

1. voluntary and court ordered child support payments received from a legal or nonlegal parent;
2. monies received to pay basic living expenses; and
3. income received for additional living expenses such as recreation and transportation.

The income is considered as the income of the child for whom the payment is intended.

1860.0702 Child Support (RAP)

The amount of child support received or anticipated to be received for any member of the standard filing unit (SFU) must be counted as unearned income minus any collection fees charged.

When child support arrearages are received or are anticipated to be received for any member of the SFU, the portion designated as support payment for current month should count as unearned income and the remainder as an asset. This is only after collection fees charged are subtracted.

Note: Payments received for a child no longer in the home would count as a contribution.

Exception: Income from the legal or nonlegal father for a minor who is considered a parent (adult) for Temporary Cash Assistance purposes must be considered a contribution. Likewise, monies paid from a biological father when a child already has a legal parent must also be considered a contribution.

1860.0705 Alimony (RAP)

Alimony is an amount of money allocated from one spouse to another by the court as a result of a divorce or separation agreement. The amount of alimony received or anticipated to be received must be counted as unearned income minus any collection fees charged.

1860.0707 Verification of Support (RAP)

When child support or alimony is received or anticipated, the individual must provide verification at application and review of:

1. the amount received;
2. date payment received and whether it will continue;
3. whether or not payment is court ordered;
4. from whom and to whom the payments are made; and
5. the amount of any collection fee charged.

1860.0800 ASSISTANCE FROM GOVERNMENT AGENCIES (RAP)

Assistance payments are benefits based on applicant or recipient need.

The following topics are discussed in this section:

1. Energy Assistance
2. Programs Administered by HUD/USDA Rural Housing (for Public Housing and utility payments),
3. Vocational Rehabilitation,
4. Disaster Assistance Payments,
5. Foster Care Payments,
6. Developmental Services,
7. Supplemental Security Income (SSI), and
8. Assistance Payments Based on Need.

1860.0801 Energy Assistance (RAP)

Passages 1860.0803.01 and 1860.0803.02 discuss energy assistance payments.

1860.0803.01 LIHEAP Payments (RAP)

Assistance payments received by households from the Low Income Home Energy Assistance Program (LIHEAP) administered by Department of Community Affairs are excluded income.

1860.0803.02 HEA Payments (RAP)

Payments received in the form of home energy assistance (HEA) are excluded if they are based on need and certified by DCF.

Across-the-board rebates from utility companies to all customers are not considered to be based on need.

The source of HEA payment must be verified.

1860.0805 Programs Administered by HUD/USDA Rural Housing (RAP)

Individuals generally can exclude the value of any assistance from the U.S. Department of Housing and Urban Development (HUD) and the USDA Rural Housing (formerly Farmers Home Administration (FmHA)) used to offset their rent or mortgage payments. These payments may be made to landlords or mortgagees.

Passages 1860.0806 and 1860.0807 discuss further policy for payments received for utilities and housing assistance from HUD/USDA Rural Housing.

1860.0806 HUD/USDA Rural Housing Utility Payments (RAP)

When an assistance group lives in subsidized housing, all or a portion of its rent may be paid by HUD or the USDA Rural Housing (formerly Farmers Home Administration (FmHA)). In this situation, a rent deduction may be claimed for the amount the assistance group actually pays. The assistance group may also qualify for a HUD or USDA Rural Housing utility payment.

HUD and USDA Rural Housing utility payments are excluded as income due to these payments being made for the purpose of providing energy assistance. Additionally, when a HUD/USDA Rural Housing utility allowance is used to reduce the amount of rent, this type of "utility allowance" is not to be considered income.

1860.0807 Public Housing (RAP)

Assistance received in cash from public housing authorities is excluded up to the difference between the payment standard and consolidated need standard (CNS). When assistance is received in excess of the maximum exclusion, the excess is considered unearned income in the budget.

1860.0809 Vocational Rehabilitation (RAP)

Assistance from a vocational rehabilitation agency within certain limitations is excluded. The source of income must be verified and documented.

1860.0810 Limit on Rehabilitation Assistance (RAP)

Assistance provided for rehabilitation toward total self-support will not be considered as income if:

1. the assistance is provided by a rehabilitation agency;
2. the plan is made between the individual and a representative of the rehabilitation agency;
and
3. the plan is detailed in the case record.

Individuals generally can exclude this assistance for up to 12 months. Income from Vocational Rehabilitation (VR) can be excluded for 36 months.

1860.0811 Disaster Assistance Payments (RAP)

Permanently exclude:

1. payments, including disaster unemployment assistance, received under the Disaster Relief Act of 1974 [P.L. 93-288, Section 312(d)], as amended by the Disaster Relief and Emergency Assistance Amendments of 1988 [P.L. 100-707, Section 105(i)] from income.
2. National Flood Insurance Program (NFIP) payments made under the National Flood Insurance Act of 1968, as amended by Public Law 109-64, enacted on September 20, 2005.

Exclude interest earned on disaster assistance payments from income.

Most Federal Emergency Management Assistance (FEMA) funds are excluded. However, some payments made to homeless people to pay for rent, mortgage, food, and utilities when there is no major disaster or emergency are not excluded under this provision.

Apply this exclusion when:

1. the president determines an emergency or major disaster exists; and
2. the individual was directly affected by the disaster; and
3. the payment is received from a disaster assistance organization or a federal, state or local government.

1860.0816.01 Foster Care Payments (RAP)

Any payments received by a foster care parent from any agency intended to provide for the needs of the foster care children or adults placed in his home are considered the income of that foster care child or adult and are considered excluded income to the foster parent.

1860.0816.02 Guardianship Assistance Payments (RAP)

Guardianship Assistance Program payments received by a legal guardian with the intention to provide for the needs of the children/adults placed in the guardian's home are considered the income of the child/adult and are considered excluded income to the legal guardian.

Note: A child cannot receive Guardianship Assistance Program payments and TCA, Relative Caregiver, or Non-Relative Caregiver payments simultaneously.

1860.0819 Developmental Disability Payments (RAP)

Support Independent Living Arrangement (SILA) payments from the Agency for Persons with Disabilities are excluded up to the difference between the payment standard and consolidated need standard (CNS). When assistance is received in excess of the maximum exclusion, the excess is considered unearned income in the budget. These payments are considered assistance based on need and are paid to disabled individuals moving from group or community homes to independent living situations to assist with living expenses.

1860.0820 Supplemental Security Income (RAP)

Section 1860.0827 discusses program specific policy on the inclusion or exclusion of income received from the Supplemental Security Income (SSI) Program. Supplemental Security Income (SSI) payments are administered by the Social Security Administration.

The SSI individual and the SSI income are both excluded by these programs. Nonrecurring lump sum SSI retroactive payments awarded to active TCA recipients are not considered income or assets for the month of receipt and the month following receipt. Retroactive SSI payments to stepparents and other "deeming" individuals who are not included in the Temporary Cash Assistance group are counted as income in the month of receipt.

1860.0821 EFAHP Payments (RAP)

EFAHP assistance payments are excluded as income.

1860.0824 Assistance Payments Based on Need (RAP)

Passage 1860.0827 discusses policy on treatment of assistance payments. Income based on need is included as unearned income unless specifically excluded in the following section.

1860.0827 Assistance Payments (RAP)

Monthly cash payments from another agency (minus training expenses) to meet ongoing maintenance needs as defined by DCF are unearned income unless specifically excluded.

Documentation or verification from the agency as to the amount received, frequency, purpose, and type of program is required.

Income Exclusions:

1. Emergency payments made by another agency or a nonprofit organization prior to the date the first Temporary Cash Assistance (TCA) benefits are received.
2. Assistance payments under the Refugee Resettlement Match Grant Program when determining eligibility for Refugee Medical Assistance.

Match Grant recipients may not receive TCA or RAP Cash Assistance.

3. Cash grants received under the Department of State's Reception and Placement Program for both RAP Cash Assistance and Refugee Medical Assistance.

1860.0900 BENEFITS (RAP)

Section 1860.0900 (inclusive) discusses types of benefits payable to individuals and their treatment as unearned income, including benefits such as:

1. Social Security payments;
2. private benefit income such as annuities, pensions, retirement, or disability (other than SSA);
3. veterans payments;
4. Agent Orange benefits;
5. workers' compensation;
6. railroad retirement;
7. unemployment benefits;
8. striker support;
9. severance pay; and
10. death benefits.

1860.0901 Verification of Unearned Income (RAP)

All non-exempt unearned income must be verified at application and review unless otherwise specified. The following sources may be used to verify unearned income:

1. BENDEX or SDX tapes,

2. SSA award letter,
3. VA award letter,
4. pension or award letter,
5. Unemployment Compensation award letter, and
6. child support court statement and/or current statement from absent parent.

1860.0903 Gross Benefits (RAP)

The gross benefit amount received, or anticipated to be received, is considered unearned income. Benefits are owned by the individual for whom they are intended unless the individual is not in the home and the benefits are not redirected. Deductions for optional items such as health insurance and Medicare premiums continue to count as income.

1860.0904 SSA Income (RAP)

Benefits that are paid by SSA are unearned income for all programs. These types of benefits include Title II Social Security benefits, SSI, special age 72 payments (PROUTY), and black lung benefits.

For all programs, the gross entitlement amount (prior to any deduction) is entered into the FLORIDA system on AFMI. The cents should not be dropped. (The system automatically drops the cents when calculating the budget for food stamps and SSI-Related Programs.)

Social Security benefits recouped by SSA that are not received by the household are excluded unearned income.

1860.0905 Annuities, Pensions and Retirement (RAP)

Annuities, pensions, retirement or disability payments are all included as unearned income. These payments are the result of purchase of an annuity, retirement from employment, survivor benefits for a former employee's dependents, or injury or disability, and may be made by an employer, an insurance company, or public or private fund.

1860.0908 Workers' Compensation Payments (RAP)

Workers' Compensation payments are included as unearned income.

Workers' Compensation payments are awarded to an injured employee or to the employee's survivors. Any portion of the payment designated for medical expenses paid or deducted at the source and not controlled by the individual is excluded from the income amount.

1860.0909 Railroad Retirement Payments (RAP)

Retirement, survivor, unemployment, sickness and strike benefits from railroad payments are included as unearned income. Premiums for medical insurance under Medicare that may have been deducted must be added to the payment amount in determining the amount of unearned income. Entitlement or potential entitlement for railroad benefits should be suspected if the individual's SSN begins with the number "7".

The following are three different railroad retirement benefits.

1. The retirement benefit is payable only to the railroad employee or the employee's spouse. Benefits may be increased because of dependent children; however, the amount of the increase is considered income to the individual rather than the child(ren).
2. The survivor benefit is payable to widows/widowers and children or to dependent parents if no widow(er) or child qualifies.
3. Checks for unemployment, sickness, and strike benefits cover a period up to two weeks.

Retirement and survivor benefits are paid monthly. Payment received in the current month is the amount due the individual for the prior month.

Railroad retirement benefits are adjusted for cost of living at the same time as SSA. However, differences in amounts may exist due to individual case circumstances. Verification of differences should be made by reviewing an award notice. When contact with the railroad board (RRB) is necessary, contact the local RRB district office, not the RRB in Chicago.

1860.0910 Unemployment Compensation (RAP)

Payments received pursuant to a state or federal unemployment law, or paid by a union or employer are included as unearned income.

1860.0912 Severance Pay (RAP)

Severance pay is included as unearned income.

1860.0914 Energy Employees Occupational Illness Compensation Program (RAP)

Payments made to individuals under the Energy Employees Occupational Illness Compensation Program (EEOICP) Act of 2000 (Public Law 106-398) are excluded as income.

1860.0915 Domestic Volunteer Services Act (RAP)

The following are excluded income:

1. assistance to volunteers who participate in ACTION Programs funded under Public Law 93-113, including VISTA or AmeriCorps VISTA and other programs under Title I of that law; and
2. payments for supportive services or reimbursement for expenses made to volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving on the Service Corps of Retired Executives, Active Corps of Executives, and other programs under Title II and III of the act.

1860.0917 Indian Tribe/Alaskan Native (RAP)

Exclusions include:

1. Any funds distributed per capita to or held in trust for members of any Indian tribe under Public Laws 92-254, 93-134 (Sections 7 and 8), or 94-540 including funding from leases on restricted land and initial purchases made with funds distributed under Public Law 93-134 or Public Law 98-64 (as amended by Public Law 103-66); and
2. Any of the following distributions made to a household, individual or descendant of a native, by a Native Corporation established by the Alaska Native Claims Settlement Act (Public Law 92-203 as amended):
 - a. per capita payments of \$2,000 or less per year including cash dividends on stock from a Native Corporation.
 - b. stocks (including stock issued or distributed by a Native Corporation as a dividend or distribution on stock),
 - c. a partnership interest,
 - d. land or interest in land (including land or interest in land received from a Native Corporation as a dividend or distribution on stock), and
 - e. an interest in a settlement trust.

1860.0922 Crime Victim Compensation Program (RAP)

Exclude payments received under this program that offers compensation to victims and survivors of victims of criminal violence, including drunk driving and domestic violence (P.L. 103-322).

1860.0923 Experimental Housing Allowance (RAP)

Payments under the Experimental Housing Allowance Program from contracts entered into prior to January 1, 1975, are excluded.

1860.0924 Earned Income Tax Credit and Child Tax Credit (RAP)

Payments from federal income taxes for earned income tax credit and child tax credit, including any retroactive payments, are excluded as income in the determination of eligibility, including the 185% test.

1860.0925 Radiation Exposure Compensation Act (RAP)

Payments to compensate individuals or their survivors who have become ill or died as a result of exposure to radiation from nuclear testing and uranium mining, pursuant to the Radiation Exposure Compensation Act, are excluded as income.

1860.0927 Maine Indian Claims Settlement Act (RAP)

Funds received by a member of the Passamaquoddy Indian Tribe, the Penobscot Nation, or the Houlton Band of Maliseet Indians pursuant to the Maine Indian Claims Settlement Act of 1980 will be disregarded as income and assets in the determination of eligibility for and the amount of benefits under the TCA Program.

1860.0931 National and Community Services Trust (RAP)

Payments, other than for living allowances, under the National and Community Services Trust Act (NCSTA) of 1993 (P.L. 103-82) are excluded as income.

NCSTA projects for youth in Florida are operated through the Florida Conservation Corps. The project name is the Florida Youth Conservation Corps. Yearly contracts are renewed in early October of each year.

The NCSTA of 1993 revised the National and Community Services Act (NCSA) of 1990 and established a corporation for National and Community Service.

The corporation established by the NCSTA administers all national service programs. These include:

1. the Senior Corps, for participants over the age of 55;
2. the Youth Corps, for participants 14-17 years of age;
3. Learn and Serve, for participants in grades K-12; and
4. the AmeriCorps Network of Programs (also known as AmeriCorps State/National Programs).

There are also summer programs in each of these program areas.

1860.1000 DIVIDENDS AND INTEREST (RAP)

Dividends and interest from investments such as stocks, bonds, insurance, and savings are excluded as unearned income. Insurance cash coupons that accrue under an insurance policy will be taken into consideration when determining the asset value of the policy and are not considered income.

1860.1006 Mortgages (RAP)

The interest portion of the payment on a mortgage is excluded as unearned income. The principal portion on the outstanding balance of the mortgage is considered an asset.

1860.1100 REIMBURSEMENTS (RAP)

Reimbursements for past or future expenses are excluded if they do not exceed actual expenses and do not represent a gain or benefit. To be excluded, these payments must be specifically intended and used for expenses other than normal living expenses.

Any part of the reimbursement amount that exceeds the actual expense is included as income. However, reimbursements are not considered to exceed actual expenses, unless the amount is excessive.

Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore, are included as income.

The following types of reimbursement are excluded as income:

1. Reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policy Act.
2. Reimbursements or flat allowances from the employer that are over and above the basic wages and used for job related expenses such as travel, per diem, uniforms, and transportation to and from the job training site.
3. Reimbursements for out-of-pocket expenses incurred by volunteers in the course of their work.
4. Medical reimbursements from Workers' Compensation benefits specifically designated for medical expenses.
5. Reimbursements by Employment and Training Programs.
6. The yearly clothing allowances received from the Veterans Administration for veterans with service connected disabilities which require the wearing or use of prosthetic or orthopedic devices are excluded as income.
7. Any payment received by licensed foster parents from any agency intended to provide for the needs of foster children or adults placed in their home is excluded as income.
8. The employment related expenses reimbursement received by a participant in the WAGES Employment and Training Program is excluded as income.

1860.1200 STUDENT LOANS, GRANTS, AND SCHOLARSHIPS (RAP)

All Title IV and Non-Title IV income a student receives from scholarships, educational grants, gifts, loans, work study, and Postsecondary Educational Services and Support Program (formerly Road to Independence) are excluded as income. This includes federal Perkins loans authorized under Title IV and Bureau of Indian Affairs Programs and loans. These sources generally apply to students attending a college or other institution of higher education beyond the high school level.

1860.1206 Verification of Educational Income (RAP)

All student income from educational grants, gifts, scholarships, and loans must be verified if questionable. Case record documentation must include the name of the educational institution and the amounts of any grants, gifts, scholarships and loans. The asset exclusions for these programs apply as income exclusions.

The eligibility specialist may obtain this information by phoning the school or loan office or the grantor of the educational income. The eligibility specialist must record the name, position, and phone number of the person providing the information.

A written agreement with the lending institution or grantor of the educational income that contains the necessary dates and that is signed by the individual will also serve as documentation.

1860.1300 INCOME FROM OTHER SOURCES (RAP)

This section presents the application of policy for other sources of income.

1860.1301 Loans (RAP)

All loans, including loans from private individuals as well as commercial institutions with intent to repay, are excluded income.

When the eligibility specialist questions that a loan exists, the individual must verify the existence of the loan. A signed statement from the loan provider that confirms that repayments are being made or will be made in accordance with an established payment schedule is sufficient.

When an individual is the **borrower**:

Proceeds of a valid loan received by the borrower are not income in the month of receipt. If the loan is determined not to be valid, the proceeds are considered income in the month received. The amount remaining from the loan in the month following receipt is considered as an asset to the borrower.

When an individual is the **lender**:

If the loan is determined to be valid and negotiable, the loan is a countable asset; only the interest portion of the payment received is excluded as income to the lender. The principal portion of the payment is conversion of an asset, not income. If the loan is determined to be not valid and not negotiable the loan is not a countable asset, the entire payment received (principal and interest) is counted as income.

1860.1302 Contributions (RAP)

All direct money payments from any source that represent gain or benefit to the individual are included as unearned income.

A contribution is cash received by any member of the standard filing unit. A contribution may be received on a one-time basis or on regular or irregular intervals.

An allowance is considered a contribution when paid to an individual by a person outside the individual's standard filing unit. This would apply to money from a non-legal father when there is a legal father.

The individual must provide verification of the amount received as a gift or contribution. When written verification is unavailable, documentation must include the following information:

1. date oral verification received,
2. source of verification,
3. source of funds,
4. date made, and
5. the amount.

Standard verbal verification policy applies. If the individual is unable to obtain verification, discuss with the individual. The eligibility specialist should then use the best information available and record this in CLRC.

1860.1304 Gifts (RAP)

A gift may be excluded if it is infrequent or irregular. To be a gift, an item must meet the following requirements:

1. must be given irrevocably;
2. must not be compensation or return for services or other consideration; and
3. must be given without legal obligation on the part of the donor.

1860.1305 Prizes and Awards (RAP)

Cash prizes and cash awards are included as income unless they can be excluded as infrequent or irregular.

If a prize or award is not substantial, then the eligibility specialist must consider whether it may be excluded from income as infrequent/irregular income.