100 General Provisions

110 Purpose of the Supplemental Nutrition Assistance Program

SNAP MANUAL 12/01/98

The Food and Nutrition Act of 2008 authorizes the Supplemental Nutrition Assistance Program. Section 2 of the Act states in part:

> "It is hereby declared to be the policy of Congress, in order to promote the general welfare, to safeguard the health and well-being of the Nation's population by raising levels of nutrition among low-income households. Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a Supplemental Nutrition Assistance Program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation."

TO SUMMARIZE: The Supplemental Nutrition Assistance Program is designed to increase the limited food purchasing power of low-income households and thus alleviate hunger and malnutrition.

120 Use of SNAP Benefits

SNAP MANUAL 12/01/98

Participating households may use their supplemental nutrition assistance benefits at retail stores authorized by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), to accept SNAP benefits.

A household may purchase only eligible foods with SNAP benefits. Eligible foods include plants and seeds that the household may use to grow food. Ineligible items which cannot be purchased with supplemental nutrition assistance benefits include alcoholic beverages, household products, tobacco, pet foods, and other non-food items. At grocery stores with delicatessens,

the household may use SNAP benefits to purchase foods that have not been heated above room temperature and are to be eaten away from the store.

EXAMPLE: SNAP benefits could be used to purchase sliced cold cuts at the delicatessen but could not be used to purchase a barbecued chicken cooked by the delicatessen and kept under warming lamps.

Residents of drug and alcoholic treatment centers, group living arrangements, and shelters for battered women/children who are certified to participate in the Supplemental Nutrition Assistance Program may use their SNAP benefits to purchase meals prepared especially for them. Limitations are: 1) the facility must be authorized by FNS or the appropriate state agency; and 2) the meals must be prepared by the facility during the course of the facility's normal program - i.e. a person in a drug treatment program must be residing at the facility and undergoing the treatment program.

EXCEPTION: Residents of group living arrangements and/or shelters for battered women need not be involved in a formal treatment program. See SNAP1800-1842.

Homeless households may use their SNAP benefits, on a voluntary basis, to purchase meals from authorized meal providers. See SNAP 1850-1852.

121 Communal Dining Facilities

SNAP MANUAL 12/01/98

Certain households may use their SNAP benefits to purchase prepared meals at a communal dining facility or to purchase meals delivered to them at home by a nonprofit meal delivery service.

A communal dining facility means:

1. A public or nonprofit private establishment, approved by the Food and Nutrition Service (FNS), that prepares and serves meals to households composed of elderly persons and their spouses, or households composed of SSI recipients and their spouses, or both;
2. A public or private nonprofit establishment (eating or otherwise) that feeds households composed of elderly persons and their spouses, or SSI recipients and their spouses or both;
3. Federally subsidized housing for the elderly where meals are prepared and served to the residents; or
4. Private establishments that contract with the Arkansas Department of Human Services to offer meals at concessional prices to households composed of elderly persons and

their spouses, or of SSI recipients and their spouses, or both. (The contract must specify the approximate prices to be charged for the meals.)

All meal delivery services, and communal dining facilities desiring to prepare and serve (or deliver) meals to eligible households must be approved by FNS to accept supplemental nutrition assistance benefits.

Households composed of homeless individuals may purchase meals from restaurants that contract with the Arkansas Department of Human Services to supply meals to the homeless at an already low or reduced price. These restaurants must also be approved by FNS to accept SNAP benefits.

Restaurants that intend to accept SNAP benefits from all groups of households (elderly, SSI and the homeless) must either submit a separate contract pertaining only to the homeless or must submit one contract that clearly identifies each group to be served.

Restaurants interested in contracting with the Arkansas Department of Human Services to furnish meals to specified SNAP benefit recipients should contact the Central Office, Supplemental Nutrition Assistance Program (SNAP) Section, (501) 682-8284.

200 Authorization of the Program and the State's Responsibilities

SNAP MANUAL 06/01/01

U.S.D.A., Food and Nutrition Service and the Division of County Operations (DCO) have jointly entered into a Plan of Operation of the Supplemental Nutrition Assistance Program in Arkansas and have prescribed policies and procedures, and rules and regulations as set forth in this manual for the administration of this program.

DCO responsibilities include but are not limited to:

1. Insuring that county offices administer the program in a manner that guarantees prompt action, nondiscrimination, and accurate completion of the certification process.
2. Establishing the policies and procedures under which the Supplemental Nutrition Assistance Program is administered.
3. Establishing procedures to best serve households in the State including households with elderly or disabled members, households in rural areas, homeless households, households with limited English skills, and working households.
4. Issuing SNAP benefits to eligible households. Benefits are issued via an Electronic Benefits Transfer (EBT) system.
5. Maintaining issuance control and submitting accurate and timely financial and program reports.
6. Providing qualified employees to conduct interviews and to determine initial and ongoing eligibility for the program.

NOTE: Only DCO employees may conduct interviews with supplemental nutrition assistance benefit applicants and/or recipients unless the applicant is interviewed as part of a joint SSI/SNAP application as specified in SNAP 8240.

7. Developing, conducting, and evaluating training of certification and issuance personnel.
8. Maintaining a Performance Reporting System (Quality Assurance and Management Evaluation) in accordance with federal regulations.
9. Making program records available for review or audit by U.S.D.A., FNS (Office of Audit and Office of Investigation) for a period of three years from the month of origin of each record.
10. Handling recipient claims and restorations of lost benefits in accordance with federal regulations.
11. Disqualifying individuals and households from participation in accordance with federal regulations.

12. Developing and maintaining complaint procedures.
13. Administering disaster certification programs only when authorized by the Department of Agriculture, Food and Nutrition Service.
14. Developing and implementing program information activities.
15. Serving as a voter registration agency. See the Voter Registration Appendix.

210 Program Informational Activities

SNAP MANUAL 06/01/01

Program informational activities are intended to explain the Supplemental Nutrition Assistance Program to applicant and recipient households. Such information may be conveyed by means of publications, telephone hotlines, and face to face contacts.

County offices must comply with the following minimum program informational activity requirements:

1. Providing SNAP application forms and a copy of the pamphlet *How to Apply for and Use SNAP Benefits* to anyone who expresses an interest in the Supplemental Nutrition Assistance Program or who expresses concerns that indicate food insecurity.
2. Explaining the local office procedures for scheduling interviews to anyone interested in submitting an application.
3. Informing each applicant and recipient household of their rights and responsibilities during the interview process and providing written information on forms and notices. See SNAP 8250 for additional information.
4. Displaying the required FNS posters in waiting areas for SNAP applicants and recipients.

211 Outreach

SNAP Manual

Each DHS county office must make application forms readily accessible to potentially eligible households. Application forms will be provided to individuals. Applications will also be provided to other agencies and/or organizations that wish to maintain a supply of the forms for outreach purposes. Agency informational pamphlets such as, but not limited to, "*How to Apply For and Use SNAP Benefits*" will also be supplied to individuals, other agencies and/or organizations upon request.

220 Personnel Standards

SNAP MANUAL 12/01/98

DCO employees who interview and certify households for SNAP benefits must meet agency standards or any standards later specified by the Federal Office of Personnel Management. Only authorized personnel may have access to issuance documents.

Volunteers and/or other non-state agency employees (with the exception of SSA employees who conduct joint interviews as specified in SNAP 8940 are not allowed to interview or to certify SNAP benefit applicants. However, they may be used in related activities such as prescreening, assisting applicants in completing the application, and assisting applicants in securing verification.

EXCEPTION: Individuals and organizations who are parties to a strike or lockout cannot be used in the certification process except as a source of verification for information supplied by the applicant.

230 Bilingual Staff and Materials

SNAP MANUAL 10/01/97

Bilingual staff or interpreters and bilingual certification materials (i.e. applications, change form, QR form and notices) must be provided when a county has a specified number of low income households which speak the same non-English language and which do not contain an adult fluent in English as a second language. Such households are considered a single language minority.

231 Seasonal Influx of Non-English Speaking Households

SNAP MANUAL 10/01/97

A seasonal influx of non-English speaking households will require the use of bilingual staff or interpreters if at least 100 non-English speaking households apply. Bilingual staff or interpreters may be requested for less than 100 applicants if the majority of these households are of a single language minority.

232 Estimates of Low-Income Single-Language Households

SNAP MANUAL 10/01/97

The Central Office will make estimates of the number of households of a single language minority in each county by using census figures and other appropriate sources of information.

240 Training Requirements

SNAP MANUAL 10/01/97

Continuing training will be provided for SNAP eligibility workers, hearing officials and performance reporting system reviewers. Training will occur following issuances of new policy when the policy issuance is extensive and/or entails a major change. In addition, training may occur on an individual, countywide, area wide or statewide basis when problem areas are identified through the monitoring process, reviews or when otherwise deemed necessary.

Training will also be provided to State Agency outreach workers, including hotline operators who prescreen or provide other supplemental nutrition assistance services to applicants or the public. This training need not be as comprehensive as that for certification personnel. It will, however, be in sufficient detail and held frequently enough to ensure that the public has access to accurate information about the Supplemental Nutrition Assistance Program and that any prescreening conducted is accurate.

Individuals who are not state employees but are knowledgeable of program eligibility rules and certification procedures and are actively involved in work or volunteer activity related to SNAP certification rules will also receive appropriate training.

241 Public Attendance at Training

SNAP MANUAL 11/01/90

Public attendance at formal certification training sessions conducted on a statewide or regional basis is permitted. Public attendance at such sessions will be limited to five percent of the total attendance or five training slots, whichever number is smaller. Provisions for public attendance need not be provided at training sessions for fewer than twenty people. The role of public participants at training sessions may be limited to observation only.

242 FNS Review

SNAP MANUAL 11/01/90

FNS will review the effectiveness of the training program based on information from the performance reporting system and other sources.

250 Hours of Operation

SNAP MANUAL 11/01/90

At least annually, the hours of operation of county SNAP offices will be reviewed to ensure that the needs of SNAP recipients who work are adequately met. Based on the results of the review, it may be necessary to change the hours that county SNAP offices are open in order to meet the needs of such recipients.

300 County Office Worker Responsibilities

SNAP MANUAL 11/01/90

Overview

The SNAP Certification Manual is provided as a general guide to the policies governing the Supplemental Nutrition Assistance Program. Because each case situation differs slightly, the county office worker is expected to use "good judgment" in applying these policies. While "good judgment" is impossible to define exactly, this section will provide some information about how this Agency expects a worker to meet his responsibilities in providing prompt, accurate services to all SNAP applicants and recipients on a non-discriminatory basis.

Since most households applying for supplemental nutrition assistance have limited income and resources, the worker is expected to consider the effect of his decisions upon individual households. For example, a worker knows that a household is in dire circumstances but that household does not meet the criteria for expedited services. While SNAP 8501 states that household must be provided an opportunity to participate no later than 30 days following the date of application, a worker using "good judgment" would take all the actions required to certify that household as quickly as possible. This may mean making extra telephone calls to obtain required verification or prioritizing work to complete the required paperwork.

The worker is also expected to make a conscious effort to base a decision upon his general knowledge as well as his knowledge of the Supplemental Nutrition Assistance Program. For example, a household reports that the economic head of the household has quit his most recent employment. SNAP 3600 calls for sanctions to be applied when the economic head of household quits a job without good cause. The worker has general knowledge that the job site at which the household member was employed is hazardous. The worker would base any decision about good cause on his general knowledge as well as the statements provided by the employer and the household.

When the worker cannot reach a decision about a case action based upon the policy and his general knowledge, he will consult his supervisor. If the supervisor is not able to reach a decision based upon his general knowledge of the program, a policy interpretation will be sought through the county's established chain of command.

310 Specific Responsibilities

SNAP MANUAL 11/01/90

Each worker has specific responsibilities while working in the Supplemental Nutrition Assistance Program and is held accountable for carrying out these responsibilities in a timely, accurate, courteous, and non-discriminatory manner. Each responsibility is discussed below.

311 Maintenance of the SNAP Certification Manual

SNAP MANUAL 06/01/05

The *SNAP Certification Manual* may be accessed through DHS SHARE. Also, at least on paper manual should be maintained in each county office. New policy should be added to the paper manual as issued. The old policy should be deleted at the same time. Instructions for adding and deleting policy are provided with each policy issuance. A *Table of Contents* listing current manual material is provided once per year. A "List of Forms" is also provided in Appendix A of the *SNAP Certification Manual*.

312 Using the SNAP Certification Manual

SNAP MANUAL 06/01/01

The worker will use the Supplemental Nutrition Assistance Program (SNAP) Manual to determine the correct policy, procedures and timeliness standards applicable to the case action being completed. Tables of Contents, page headers and a topical index are provided to assist the worker in finding the correct information. The worker may also access the SNAP Certification Manual at DHS SHARE by clicking on "ANSWER Online Policy."

When a specific situation is not addressed in the SNAP Manual or the DCO, the worker is responsible for making a reasonable decision based upon his general knowledge of the Supplemental Nutrition Assistance Program or for obtaining a policy interpretation through the county's established chain of command. All such situations must be documented in accordance with the provisions in SNAP 314.

313 Conducting Interviews

SNAP MANUAL 06/01/90

The county office worker must conduct all interviews in accordance with the standards specified in SNAP 8200-8260.

All interviews are to be conducted in a non-discriminatory, courteous manner and in an environment which protects the privacy of the household to the greatest extent possible. No worker will discuss information gained through an interview with non-agency personnel except as specified in SNAP 530.

314 Documentation

SNAP MANUAL 06/01/05

The county office worker must document each case action in enough detail to allow a reviewer to determine what type of case action occurred, when it occurred, and why the worker took this action. For example, an application denial must contain information adequate to allow a reviewer to determine that the application was denied, why it was denied, and when the denial occurred.

When a worker determines that a household has not provided adequate verification or that the verification provided is incomplete, inaccurate, inconsistent, or outdated, the reason for the decision must be fully documented. For example, at recertification a household reports no change in a member's VA check; however, the worker is aware that VA recipients had a general increase. The household's statement would be considered to be inconsistent with information known to the worker. This information should be documented in the case record. The Glossary definition of Verification contains a full explanation of the terms incomplete, inaccurate, inconsistent, and outdated.

Any form with a required documentary entry must be fully completed.

Any unusual decision or incident will be fully documented in the ANSWER narrative tab. While no standard format is prescribed, the worker must fully describe the situation. Any pertinent names, dates, or figures must be included. When documentation refers to another SNAP case or a TEA case, the appropriate case number will be entered. When documenting collateral contacts, the name and telephone number will be entered. When documenting collateral contact with employers the worker must enter the name of the company, the name of the individual providing the information, and the telephone number at which this individual may be reached.

315 Completing Work in a Timely Manner

SNAP MANUAL 06/01/90

Each case action must be completed within a certain period of time as specified in this manual. For example, reported changes must be processed within ten days. County office workers must ensure that all case actions are completed within the mandated time by maintaining controls. While no control methods are specified, any such method is subject to monitoring.

316 Accuracy

SNAP MANUAL 06/01/05

Reviews of SNAP cases routinely conducted in county offices include:

1. General second party reviews by supervisors;
2. Third party reviews by EMS Field Representatives;
3. Overall reviews of county operations by Management Evaluation; and
4. State and Federal Quality Control Reviews; and
5. Federal and State audits.

Each county office worker is responsible for the accuracy of his work. Corrective actions, including additional training, may be required if reviews indicate problems with caseworker accuracy. Also, accuracy of case records will be considered when job evaluations are completed.

317 Providing Client Services

SNAP MANUAL 06/01/05

Each SNAP applicant and/or recipient is entitled to prompt, courteous, accurate service from all DHS Employees. Services must be provided on a non-discriminatory basis. This means that each worker must make every effort to process case actions in accordance with the policy and timeframes specified in this manual. It means that the worker will not arbitrarily impose requirements upon clients without justification. For example, if the client has already provided adequate verification of an eligibility factor, additional verification will not be required. See the Glossary definition of Verification for additional information.

It also means that when the worker becomes aware that a client needs assistance in complying with the required action, the worker must provide this assistance promptly. For example, if the client obviously cannot comply with the requirement for an in-office interview, an out-of-office interview or an interview with the household's authorized representative will be offered. If the worker is aware that the client needs assistance in obtaining required verification, such

assistance will be provided even though the client has not requested this assistance. If the client is having problems completing the application form, assistance will be provided.

Case actions must be completed as quickly as possible, but no later than the specified time frames. When a worker becomes aware that he may have a problem that will delay the processing of case actions such as changes, applications, and semi-annual reports, he must advise his supervisor. It may be necessary to prioritize county office duties in order to insure that such case actions are not delayed.

Each DHS county office is responsible for insuring that clients are provided with only current, approved forms during the certification process and all subsequent case actions. See Appendix A, SNAP Certification Manual, for a list of current, approved forms.

400 Records and Reports

SNAP MANUAL 06/01/05

All Supplemental Nutrition Assistance Program records, documents, reports, etc. are to be retained in an orderly fashion for a period of at least five years from the month of origin of each document/report. DCO must insure that such documents/reports are retained and must submit to FNS any records, documents, reports or other information required. The central office will notify the county office if records are to be retained longer than five years for audit purposes.

410 Retention of the Contents of the Case Record

SNAP MANUAL 06/01/05

All contents of the SNAP case record including both forms and supporting documents (collateral statements, income statements, etc.) are to be retained for at least five years from the month of origin. Verification of social security numbers, identity, and alien status are to be retained for at least five years from the date of case closure or last expiration. Documents concerning overpayments are to be retained for five years from the date of fiscal or administrative closure. Documentation of *Restoration of Lost Benefits* (DCO-201) is to be retained for five years from the date of fiscal or administrative closure.

Fiscal closure means that all obligations for or against the federal government have been liquidated - e.g., the client has received the restoration or the overpayment has been paid in full. Administrative closure occurs upon determination by the Overpayment Unit that no further actions to liquidate the claim are appropriate. See SNAP 15534.

When the required retention period for a form or document expires, the form or document may be burned or shredded.

420 Case Record Order

SNAP MANUAL 6/01/05

The following case record organization system will be followed for all SNAP cases. A six-part letter file folder will be used to organize the case record. A six- part folder will be created for each budget unit head in the master case. Each of the six sections will be identified as follows:

Section 1 All Budget Units.
Section 2 Documents and Permanently Retained Forms for All Programs
Section 3 Eligibility Information / Verification for all Programs
Section 4 SNAP & Medicaid Information
Section 5 TEA Supportive Services

Section 6 TEA Case Management

Within each section, the most recent information will be filed on top.

Section 1: All Budget Units

Examples of Information/Forms to be Filed in Section	Program Applicability
Request for Assistance (DCO-215)	All Programs
Client Declaration Statement	All Programs
Statement of Responsibility (DCO-216)	All Programs
Personal Responsibility Agreement (DCO-127)	TEA Program
Assignment of Rights (DCO-237)	TEA & Medicaid Programs
Diversion Assistance Agreement (DCO-182)	TEA Program
All other initial, re-evaluation and recertification applications	All Programs

Section 2 Documents and Permanently Retained Forms for all Programs

Examples of Information/Forms to be Filed in Section	Program Applicability
Birth Certificates	TEA & Medicaid Programs
Social Security Enumeration	All Programs
Citizenship	All Programs
Divorce Decrees	TEA & Medicaid Program
Marriage License	TEA & Medicaid Programs
Drivers License	All Programs
Life Insurance Policies	TEA & Medicaid Programs
Deeds	All Programs
Child Support Enforcement Activities	TEA & Medicaid Programs
Fraud Referrals	All Programs
Overpayment Information	All Programs
Fair & Administrative Hearing Information	All Programs

Section 3 Eligibility Information/Verification for all Programs

Examples of Information/Forms to be Filed in Section	Program Applicability
Notice of Appointment (DCO-219)	All Programs
Request for Information (DCO-191)	All Programs
Verification of Income (Earned and Unearned)	All Programs
Verification of Resources	All Programs
Verification of Dependent Care Costs (if required)	Supplemental Nutrition Assistance Program

Examples of Information/Forms to be Filed in Section	Program Applicability
Verification of Medical Costs	SNAP & Medicaid Programs
Verification of Child Support Payments for Deduction	Supplemental Nutrition Assistance Program
Collateral Statement – if required	All Programs
Computer Matches – WESD, IEVS, etc.	All Programs
All Manual Notices relating to eligibility – most recent on top	All Programs
All Change Reports – (DCO-234, DCO-271, etc.)	All Programs
Notification of Work Registration (DCO-260)	Supplemental Nutrition Assistance Program
E&T Program Forms (E&T Counties)	Supplemental Nutrition Assistance Program
Workfare Forms (Workfare County)	Supplemental Nutrition Assistance Program
Any Other Eligibility Related Forms (DCO-94, etc.)	All Programs

Section 4 SNAP & Medicaid Information

Examples of Information/Forms to be Filed in Section	Program Applicability
Semi-Annual Report Form (DCO-285)	SNAP & Medicaid Programs
Midpoint Review (DCO-244)	SNAP & Medicaid Programs
Quality Assurance Review Information	SNAP & Medicaid Programs
Spend-down Budgets	Medicaid Program
TPL (DC0-662)	Medicaid Program
Primary Care Physician Selection (DCO-2609)	Medicaid Program
Medicaid Card Information	Medicaid Program

Section 5 TEA Supportive Services

Examples of Information/Forms to be Filed in Section	Program Applicability
All Reimbursement Documentation (Includes Vehicle Purchases)	TEA Program
Child Care Authorizations	TEA Program
Job Retention Information	TEA Program

Section 6 TEA Case Management

Examples of Information/Forms to be Filed in Section	Program Applicability
Assessments	TEA Program

Examples of Information/Forms to be Filed in Section	Program Applicability
Employment Plans	TEA Program
Narratives Not on ANSWER	TEA Program
Work Activity Verification	TEA Program
Deferral Verification	TEA Program
Staffings	TEA Program
Home Visit Documentation	TEA Program
Referrals	TEA Program

Section 430

DELETED EFFECTIVE 06-01-05

500 Availability of Information

SNAP MANUAL 10/01/97

The public will have access to all policy such as the certification manual and federal regulations. Access to information in case files, on other documents and computer printouts containing social security numbers and names of supplemental nutrition assistance recipients will be restricted as specified in SNAP 530 below.

510 Review of SNAP Policy and Regulations

SNAP MANUAL 06/01/05

At least one *SNAP Certification Manual* will be available in each county for public review during regular working hours.

Federal regulations, Food and Nutrition Service (FNS) notices and policy memos are available, upon request, for public review at the Central Office during regular working hours. State Plans of Operation, including specific planning documents, such as the Corrective Action Plan, are also available for review upon request. Requests should be directed to the Manager, Supplemental Nutrition Assistance Program, Donaghey Plaza South, 7th and Main Street, P. O. Box 1437, Slot S335, Little Rock, Arkansas 72203-1437.

520 General Program Information

SNAP MANUAL 06/01/05

Brochures or pamphlets describing basic eligibility criteria, the application process, and participant rights and responsibilities are available through the warehouse. These pamphlets will be distributed to the public through DHS County Offices and will be available for distribution at local ESD and Social Security Offices. Those offices will be contacted to enlist their cooperation in distributing the written information.

530 Disclosure of Information from the Case Record

SNAP MANUAL 10/01/97

The use or disclosure of information obtained from SNAP households specifically for the Supplemental Nutrition Assistance Program is restricted to:

1. Persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, other Federal assistance programs, or federally-

assisted state programs which provide assistance on a means-tested basis to low-income individuals;

2. Persons directly connected with the administration of the Child Support Program under Part D, Title IV of the Social Security Act in order to assist in the administration of that program;
3. Employees of the Secretary of Health and Human Services as necessary to assist in establishing or verifying eligibility or benefits under Title II and XVI of the Social Security Act;
4. Employees of the Comptroller General's Office of the United States for audit examination authorized by any other provision of law; and
5. Local, state or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act or regulations; and
6. Federal, State or local law enforcement officers who are attempting to apprehend a fleeing felon.

Any written request from a law enforcement official must include the identity of the individual requesting the information, his or her authority to do so, the violation being investigated and the name of the person about whom the information is requested. (Other identifying information such as social security number and/or date of birth must be provided if available.) A federal, state or local law enforcement officer (including parole officers) may notify a Department of Health & Human Services (DHS) employee that a SNAP recipient is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or that the applicant/recipient has information necessary for the officer to conduct an official duty related to a felony or parole violation. If so, DHS will provide, upon request, to the law enforcement officer the recipient's address, social security number, and (if available) photograph.

For Requests Made in Person - If the law enforcement officer making the request is not known to the DHS County Office, identification will be requested before this information is released. The identification should prove that the person is currently serving as a law enforcement officer. The term law enforcement officer includes probation and parole officers.

For Requests Made by Telephone - Telephone inquiries will be honored only if the DHS County Office employee is sure of the identity of the person making the request. Otherwise, the law enforcement officer will be asked to come into the DHS County Office and present acceptable identification.

Fleeing felons and probation/parole violators are ineligible to participate in the Supplemental Nutrition Assistance Program while they are fleeing or in violation. See SNAP 1622.10.

540 The Household's Access to its Case Record

SNAP MANUAL 10/01/97

Upon the written request of a responsible household member, current authorized representative, or other person acting in the household's behalf, the case record will be made available for review and inspection during normal working hours. A DCO employee must be present.

The county office will withhold confidential information such as names of individuals who have disclosed information about the household without the household's knowledge. Information about the nature or status of pending criminal prosecutions will be withheld. Medical Review Team decisions will also be withheld.

600 Program Complaints

SNAP MANUAL 10/01/97

Overview

NOTE: The procedures for handling discrimination complaints are explained in SNAP700 - 722.

Any household has the right to complain about the service that it receives from the Department of Health & Human Services (DHS). When a household believes that its participation in the Supplemental Nutrition Assistance Program has been adversely affected, it may:

- Complain directly to the DHS County Office; or
- Complain to the Central Office Client Assistance Unit; or
- Request an administrative hearing; or
- Select some other method of making a complaint.

No matter how the household elects to make a complaint, the complaint must be resolved, and the household must be notified of the disposition of the complaint.

1. **Complaints Submitted to the County DHS Office**
   When a household complains directly to the county office, county office personnel will assess the complaint. If it is possible for the county office to resolve the complaint, no additional action is required. If the county is unable to resolve the household's complaint, the household will be advised of its rights to contact the Client Assistance Unit or to request a fair hearing.

2. **Complaints Submitted to the Customer Assistance Unit**
   A household may contact the central office Customer Assistance Unit by telephone or in writing to make a complaint.

   The address is:
   Customer Assistance Unit
   Division of County Operations
   P. O. Box 1437, Slot S340
   Little Rock, AR 72203

   The telephone numbers are:
   Toll-Free 1-800-482-8988

Pulaski County – 682-8233
TDD 682-8820

The address and phone number of the Customer Assistance Unit must, at a minimum, be posted in each waiting area in the DHS County Office. In Pulaski County offices, the local Client Assistance number must be posted.

When Customer Assistance receives a complaint, the Customer Assistance worker will complete a DHS-110, Complaint Report. The form will be routed according to its instructions.

3. Administrative Hearing Requests

A household or its representative may request an administrative hearing by making any clear expression, oral or written, that it wishes to appeal a decision or to present its case to a higher authority. Full instructions for requesting a hearing may be found in SNAP 16300-16400.

4. Other Methods of Making a Complaint

Some households choose to direct their complaints to public officials or to central office personnel other than the Customer Assistance Unit. When a central office unit other than the Customer Assistance Unit receives a complaint, a DHS-110 must be completed by the individual receiving the complaint. Civil Rights complaints will be routed to the DHS EEO Manager. See SNAP 722 for the address. Other complaints will be routed according to form instructions. When public officials request information regarding a complaint, such requests must be honored. See SNAP 510 for the policy on disclosure of information from a case record before answering such requests.

700 Discrimination

SNAP MANUAL 01/01/96

No person in the United States will, on the grounds of race, color, national origin, age, sex, disability, political affiliation or religion be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Supplemental Nutrition Assistance Program.

Specific acts of discrimination may include:

- Denial of benefits or services to an individual or household on the basis of race, color, national origin, age, sex, disability, political beliefs, or religion; or
- Distinction in the quality, quantity, or manner in benefits are provided on the basis of race, color, national origin, age, sex, disability, political beliefs, or religion; or
- Segregation or separate treatment of individual in any manner related to the receipt of program benefits on the basis of race, color, national origin, age, sex, disability, political beliefs, or religion; or
- Use of criteria or methods of administration which have the effect of defeating or impairing the objectives of the Supplemental Nutrition Assistance Program to serve all individuals without regard to race, color, national origin, age, sex, disability, political beliefs, or religion; or
- Selection of sites for certification and/or issuance offices that have the effect of excluding individuals based on race, color, national origin, age, sex, disability, political beliefs, or religion.

710 Rude Treatment

SNAP MANUAL 01/01/07

The Department of Health & Human Services will not condone rudeness, disrespect, or any other ill treatment of program applicants/recipients or the general public. Any substantiated claim of ill treatment of these individuals is in non-compliance with DHS policies and procedures. Complaints of rude treatment will be handled in the same manner as discrimination complaints. See DHS Administrative Policy 1068.

720 Filing a Complaint - Discrimination or Rude Treatment

SNAP MANUAL 01/01/07

Any individual who feels that he or she has been the victim of discrimination by DHS or by a DHS employee may file a complaint. Any individual who feels that he or she has been treated rudely by a DHS employee may also file a complaint.

Complaints may be filed in any DHS central office or county office location or with the Food and Nutrition Services (FNS) Dallas Regional Office. Regardless of where the initial report of discrimination is received, agency employees must advise the complainant that a complaint may be filed with either the state or federal office or with both offices. Any individual may make a complaint of discrimination in person, by telephone or in writing. The use of any form is not a prerequisite for the acceptance of a complaint. However, the individual may be encouraged to complete a Complaint Report (DHS-110).

NOTE: There are two versions of the Complaint Report. The DHS-110 is designed to be completed by the individual making the complaint. The DHS-10 is designed to be used by a DHS worker to record a complaint being made in person (if the individual cannot or will not complete a DHS-110) or over the telephone.

All complaints must be filed no later than 180 days from the date of the alleged discriminatory action.

Anyone who expresses an interest in filing a complaint may do so without fear of reprisal, intimidation, coercion and/or threats. No one will be adversely affected because he or she has made a charge, testified, assisted, or participated in any manner in an investigation, review, proceeding or hearing under this policy.

721 Contents of Complaint

SNAP MANUAL 09/01/94

A complaint of discrimination may be made in person, by telephone or by written communications.

Verbal: A complainant may make an allegation in person or through a telephone conversation and refuse or not be inclined to put the allegations in writing. If so, the person to whom the allegation was made must put the complaint in writing.

Written: If a complainant wishes to submit a written complaint, the complaint must be accepted as submitted.

Every effort will be made to have the complainant provide the following information:

A. The name, address and telephone number or other means of contacting the complainant;
B. The specific location and name of the person or agency against whom the complaint is being made;
C. The nature of the incident or action which made the complainant feel that discrimination was a factor;
D. An example of the treatment that is having a disparate effect on the public, applicants, or recipients;
E. The basis for the alleged discrimination, i.e. - age, religion, disability, political affiliation, veteran status, sex, race, color, or national origin;
F. Names, titles and business address of people who may have knowledge of the discriminatory action; and
G. The date on which the alleged discrimination occurred, or if continuing, the duration of the discrimination.

722 Addresses

SNAP MANUAL 01/01/07

Complaints can be filed with either or both of the following agencies.

Arkansas Department of Human Services
Office of Employee Relations
Donaghey Plaza North, Room 205
P.O. Box 1437, Slot N203
Little Rock, AR 72203-1437

Telephone: (501) 682-6003
FAX: (501) 682-8926
TDD: (501) 682-7958

OR

USDA, Director, Office of Civil Rights Room 326-W, Whitten Building
1400 Independence Avenue, S.W.
Washington, D.C. 20250-9410

Telephone (Voice and TDD): 202-720-5964

730 Delays in Reporting Discrimination

SNAP MANUAL 09/01/94

Discrimination complaints must normally be filed no later than 180 days from the date of the alleged discrimination. An extension of this time period may be requested in writing. The request must contain a reason for the delay.

740 Racial/Ethnic Data Collection

SNAP MANUAL 04/01/07

Racial/Ethnic data is reported to FNS via the report, FNS-101, which is based upon participation in the Supplemental Nutrition Assistance Program during July of each year. The FNS-101 is prepared automatically.

The ethnic categories are:

- Hispanic or Latino
- Not Hispanic or Latino

The racial categories are:

- American Indian or Alaska Native
- Asian
- Black or African American
- Pacific Islander or Native Hawaiian
- White

Applicants will be asked to voluntarily indicate their race or ethnic background on the *Request for Assistance* (DCO-215) or the *Application for Recertification/Medicaid Review* (DCO-268). The application clearly states that providing such information is voluntary, that it will not affect eligibility or benefit amount, and that the information is requested to assure that benefits are distributed without regard to race or ethnic background.

If the applicant declines to indicate his race or ethnic background, the county office worker will determine the proper category during the face-to-face interview if possible. If a telephone interview is utilized and the applicant has declined to indicate his race or ethnic background, the county office worker will not attempt to determine the proper category by questioning the

individual. However, the worker may check the case history for previous ethnic/racial indicators when attempting to assign a valid category during a telephone recertification.

If a case history search does not yield satisfactory results, then the worker will select the category “Unknown” for the ethnicity question and “Other” for the race question.

800 Quality Assurance (Q.A.)

SNAP MANUAL 12/01/98

DCO is required to conduct quality assurance reviews on a statistically valid sample of households currently participating in the Supplemental Nutrition Assistance Program and of households for which participation was denied or terminated. The objectives of quality assurance reviews are to provide:

1. A systematic method of measuring the validity of the SNAP caseload;
2. A basis for determining error rates;
3. A timely, continuous flow of information upon which corrective action is based at all levels of administration;
4. A basis for establishing the state's liability for errors that exceed national standards; and
5. A basis for establishing eligibility for enhanced funding.

801 Cooperation with Q.A.

SNAP MANUAL 12/01/98

A household that refuses to cooperate when a Q.A. Review is being conducted is ineligible to participate in either the regular or the Simplified Supplemental Nutrition Assistance Program. If a household's case is closed for refusal to cooperate in the Q.A. process, the household may reapply but cannot be determined eligible until:

1. The household cooperates with the Q.A. reviewer; or
2. Until January 3rd of the year that follows the end of the completed annual review period. The annual review period ends September30th.

To resume participation, a household must provide verification of all eligibility requirements prior to certification.

EXAMPLE: A household's SNAP case is being reviewed by Quality Assurance for the review month of April 1999. The household refuses to cooperate with the reviewer.

The annual review period ends on September 30, 1999. The household cannot be determined eligible until January 3, 2000. On January 10, 2000, the household reapplies and may be found eligible after all eligibility factors are re-verified.

If a household's case is closed for refusal to cooperate in the Federal Quality Control process, the household may reapply but cannot be determined eligible until:

1. The household cooperates with the Federal Quality Control reviewer; or
2. Until seven months after the end of the completed annual review period (April 30th). The annual review period ends on September 30th.

The household must provide verification of all eligibility requirements prior to certification.

EXAMPLE: A household's SNAP case is being reviewed by Federal Quality Control for the review month of March 1999. The household refuses to cooperate with the reviewer. The annual review period ends on September 30, 1999, and the seven-month period ends April 30, 2000. On May 5, 2000, the household reapplies and is found eligible after all eligibility factors are verified.

810 The Selection Process

SNAP MANUAL 12/01/98

Cases are selected at random for Quality Assurance reviews. This is referred to as a "Q.A. Pull". A Q.A. Pull is conducted each month for the previous month. This means that the September Pull contains only denials or closures completed in August or cases on households who participated during the month of August. August will be considered the "review month". August 1st will normally be the "review date". Q.A. may consider another day within the review month the review date. For example, if an initial application was received in the review month, the date the application was certified becomes the review date.

Denials or closures are referred to as negative actions or negative cases. The cases of households who participated in the review month are called active cases.

Certain cases are not subject to the review process. These are cases in which:

1. All household members died or moved out of the state before the review could be completed;
2. The household is receiving SNAP benefits under a disaster certification authorized by FNS;
3. The household is under investigation for an intentional program violation with a pending administrative disqualification hearing;
4. The household is appealing an adverse action when the review date falls within the time period covered by continuation of benefits pending a hearing decision; or

5. The household is not currently participating in the Supplemental Nutrition Assistance Program but did receive a restoration of SNAP benefits in the review month.

Certain negative actions are not subject to review. These are actions in which:

1. The household's case was closed due to expiration of its period of certification;
2. The household withdrew its application before approval or denial;
3. The household is under investigation for an intentional program violation; or
4. All members of the household died or moved out of state before the review was completed.

820 Responding to a Request by Quality Assurance for a Case Record

SNAP MANUAL 12/01/98

Quality Assurance assigns each of the cases listed on the Q.A. Pull to a Q.A. reviewer who sends a memo to the appropriate county office requesting the case record. The county office must immediately enter the case name and number on a Quality Assurance log and send the case record to the reviewer no later than the next working day. The county office will not attempt to make any decision about whether the case is subject to review.

After reading the case and documenting certain information, the Q.A. reviewer returns the case record to the county office. If an error is found, the case must then be sent to the Central Office, Quality Assurance, Slot 501, to be presented to a committee of personnel from DCO Office of Program Planning and Development and from DCO Field Operations. If this committee concurs with Q.A.'s decision, the review is considered complete.

830 Prior Knowledge of the Case

SNAP MANUAL 12/01/98

The reviewer must not have prior knowledge of the case to be reviewed. Prior knowledge is defined as having:

1. Taken any part in the decision that has been made in the case; or
2. Had any discussion of the case with staff who participated in the decision; or
3. Had any personal knowledge of, or acquaintance with, any household member.

840 Reviewing Active Cases

SNAP MANUAL 11/01/98

Active cases are defined as those that were certified prior to or during the review month and for which benefits were issued during the review month.

The reviewer determines if the household was eligible during the review month. If the household was eligible during the review month, then the reviewer determines if the proper amount of SNAP benefits were issued for that month. In order to accomplish this, the reviewer completes the following steps:

1. **Examining the Case Record**
   During this examination, the reviewer identifies specific facts related to the household's eligibility and basis of issuance of SNAP benefits. It is considered improper for a reviewer either to question a county office worker or to accept information not in the case record from the county office. The case record (including all online screens and reports) is considered the reviewer's only source of information about the county's action.

2. **Conducting the Field Review**
   During the field review, the Q.A. reviewer obtains information about the household's actual circumstances during the review month. The reviewer verifies and documents this information. The two basic activities of the field review are interviewing the household and making collateral contacts. A worksheet is used to record the results of the field review.

3. **Identifying Variances**
   Using information shown in the case record and information gathered during the field review, the reviewer determines if there are any differences between the information the reviewer has verified, and information used by the county office to issue SNAP benefits.

EXAMPLE: If changes have occurred and have been reported or the county has not acted on a reported change within the proper timeframe, a variance will be determined.

4. **Making the Review Decision**
   The final step of the review is deciding whether or not the case is in error. The reviewer may determine that a variance has occurred, but the case will not be considered an error case unless the SNAP benefit amount was incorrect by at least $5.00. If the case is

in error, the reviewer must determine the amount of the error and whether too many or too few SNAP benefits were issued. The results will then be entered on the proper forms.

Any active case that contains a variance of at least $5.00 (over or under issuance) will be used in determining the case error rate for the county and state. A variance which caused the household to be ineligible for SNAP benefits or to receive $5.00 or more in SNAP benefits than they were entitled to receive will be used to calculate the dollar error rate for the county and state. Such errors are called over issuances and ineligibles. Errors where the household received less SNAP benefits than they were entitled to receive are called under issuances. Case and dollar error rates are used to determine the quality of the operation of the program in a county.

850 Calculating Case Error Rate

SNAP MANUAL 12/01/98

The following procedures will be used to calculate the case error rate for a specified period of time:

1. Total the number of completed Q.A. reviews;
2. Total the number of complete reviews in which an error (over issuance, under issuance or ineligibility) occurred;
3. Divide the total number of reviews with errors by the number of Q.A. reviews completed to determine the case error rate percentage.

EXAMPLE: Total Q.A. reviews completed 31
Total overissued cases 3
Total under issued cases 1
Total ineligible cases 2
Total error cases (6) - total Q.A. reviews (31) = 19.35%
Case Error Rate - 19.35%

860 Calculating Dollar Error Rate

SNAP MANUAL 12/01/98

The following procedures will be used when calculating the dollar error rate for a specified period of time.

1. Obtain the total amount of Supplemental Nutrition Assistance Program (SNAP) benefits issued in the cases upon which a review was completed. (Include all cases reviewed in the specified period of time).
2. Obtain the total amount of SNAP benefits issued in error.
3. Divide the total amount of SNAP benefits issued in error by the total SNAP benefits issued to determine the dollar error rate.

EXAMPLE: Total SNAP benefits issued 728
Total SNAP benefits over or under issued 25
Total SNAP benefits issued to ineligible households 10

Over or under issued benefits ($25) + $ ineligible ($10) = Total issued in error (35) - Total SNAP benefits issued ($728) = 4.81% Dollar Error Rate.

870 Reviewing Negative Cases

SNAP MANUAL 12/01/98

The reviewer examines the case record and verifies through documentation in the case file if the reason for the denial or closure is correct. When the case record alone provides acceptable documentation that the decision to deny or close was correct, the review is considered complete. If it is determined that the reason for denial or closure is incorrect, the reviewer determines if the household was actually ineligible at time of the action.

The reviewer may find it necessary to contact the household or collateral contacts. However, negative case reviews are generally limited to a review of the case record.

If an error is found in a negative case, the county office must take the steps necessary to determine the household's eligibility. If the household is determined eligible for the review month (for case closures, for subsequent months in the original certification period) benefits will be restored. See SNAP 13300 for procedures for restoring SNAP benefits.

880 The Q.A. Log

SNAP MANUAL 12/01/98

Each county office must maintain a quality assurance log. This log will, at a minimum, contain the following information:

1. Case name;
2. Case number;
3. County office worker name;
4. Date the case was sent to Q.A.;
5. Date the case was returned;
6. Review number;
7. Whether the case was in error;
8. Whether the error was attributed to the household or the agency;
9. The corrective action needed;
10. Date the response is due; and
11. The date the response wascompleted.

Each county office will design a Q.A. log. The log may be automated or manual and may contain as much additional information as the county desires. The county office will use the log to determine the need for corrective action and to track the number of errors by individual workers so that the appropriate actions may be taken. The log will be monitored.

890 The Q.A. Appeal Process

SNAP MANUAL 12/01/98

Upon notification by Quality Assurance that a selected case is in error, the county office will have the opportunity to appeal the findings. Listed below are the requirements for appealing a case:

1. Just cause for appealing the case must be determined by the DCO county supervisor and the Program Support Specialist.
2. An appeal packet must be prepared. The packet must contain a narrative justification with specific policy references along with any supporting documentary evidence.
3. Within ten calendar days, the case record must be submitted along with the appeal to the Quality Assurance Unit. The address is:

   Administrator
   Quality Assurance
   P. O. Box 1437, Slot 501
   Little Rock, AR 72203

The entire appeal process must occur within the specified ten calendar day period. The ten-day period begins with the date that Q.A. sends the error summary and appeal form to the county office. (This is the date Q.A. sends out the error summary and not the date the error summary is received in the county office.)

All documentation for the appeal must be received by the Quality Assurance Unit no later than the tenth day. If, in rare instances, the preparation of the appeal will require more than ten days, advance approval must be given by the Administrator of the Quality Assurance Unit. Extensions granted will be limited to five days.

There may be a time period at the last of the calendar year when it will not be possible to allow counties a full ten-day period to submit an appeal since the agency must meet federal Quality Control (Q.C.) completion requirements.

On any case submitted for an appeal of a Q.A. error, adverse action on the matter under appeal will be delayed until a decision is rendered in the appeal. County offices will be notified of the decision via memorandum from the Administrator, Quality Assurance Unit.

900 Authorized Representatives

SNAP MANUAL 06/01/01

An authorized representative (AR) is an individual designated in writing by the case head, spouse, or other responsible household member to act on behalf of the SNAP household. Some residential facilities serve as ARs for their residents. The authorized representative may:

1. Make application for the program;
2. Be interviewed for the household; and
3. Report changes as instructed in SNAP 11200. (This would include completing and submitting the household's quarterly report.)

The household may designate this same individual or an entirely different individual to use the household's electronic benefits transfer (EBT) card to purchase food for the household. Even households who are able to use their EBT card to purchase food should be encouraged to name an AR to use their EBT card in case of illness or other circumstances which might result in the household being unable to use their benefits.

If a household has not designated an AR but finds itself in an emergency situation where an AR is needed, the household may send or bring a written statement to the DHS county office designating an AR.

910 Who May be an Authorized Representative

SNAP MANUAL 06/01/01

An AR must be an individual age 18 or older who is knowledgeable about the SNAP household's circumstances and who has not been disqualified in accordance with SNAP 970 from serving as an AR in the Supplemental Nutrition Assistance Program.

920 Who May Not be an Authorized Representative

SNAP MANUAL 06/01/01

Neither an employee of the Division of County Operations who is involved in certification processes nor a retailer who is authorized to accept Supplemental Nutrition Assistance Program (SNAP) benefits may be an AR unless the ES supervisor determines that no one else is available to serve as an AR and gives that individual specific written approval.

An individual disqualified for an intentional program violation (IPV) may not act as an AR during the period of disqualification unless no one else is available to serve as an authorized

representative. Once this has been established, the county office must determine whether this individual is needed to apply on behalf of the household or to use the SNAP benefits to purchase food for the household. For example, the household may be able to find someone else to make application for SNAP benefits but be unable to find anyone to purchase food regularly with the SNAP benefits. If the county office is unable to find someone to serve as an AR to purchase food with the SNAP benefits, the disqualified individual will be allowed to do so.

A homeless meal provider may not be an AR for a homeless household. (A homeless meal provider is an establishment such as a soup kitchen or a temporary shelter that feeds homeless persons. A full definition of a Homeless Meal Provider may be found in the Glossary.)

930 Liability

SNAP MANUAL 12/01/98

The county office worker will inform the household that all members will be held liable for any overpayments resulting from erroneous information given by the AR.

EXCEPTION: A private non-profit organization, institution or group living arrangement that serves as an AR will be responsible for any misrepresentation or fraud knowingly committed as facility residents are certified to receive SNAP benefits. See SNAP 980 for details on centers as ARs.

Since household is liable for the information provided by the AR, a household member should either complete the application or review the information on the application before the application is submitted. Since organizations or institutions serving as ARs are liable for erroneous information, the individual from the institution who will be interviewed will be advised to carefully review the application with the resident before it is submitted to the county office.

940 Records of ARs

SNAP MANUAL 12/01/98

The county office will ensure that ARs are properly designated in the household's case record. The *SNAP Application* (DCO-220) contains a section for the household to enter the AR's name, address and telephone number. The household may also submit a signed, dated statement containing the AR's name, address and telephone number which clearly states that the household wants this individual to serve as an AR.

If the AR has completed and signed an application and the validity of the application is questioned, the county office worker will obtain a note signed by the case head spouse or other responsible household members indicating that the household wants this individual to serve as an AR. If the case head spouse or other responsible household member is unable to complete and/or sign the note, the worker will attempt to contact the household by telephone to confirm the AR. If telephone contact cannot be made, an interview with the AR in the household's home may be considered.

950 Controls on ARs

SNAP MANUAL 12/01/98

Limits may not be placed on the number of households that an AR may represent. However, county offices should be alert for situations where ARs have access to large amounts of SNAP benefits. For example, when a farmer employs migrant and seasonal farm workers and serves as their AR, the situation may be questionable. In such situations the county office should attempt to assure that:

1. The household has freely requested the assistance of the AR;
2. The household's circumstances are correctly represented;
3. The household is receiving all of SNAP benefits authorized; and
4. The authorized representative is properly using the benefits.

An assessment of the situation may be made by contacting the households involved. If it is not possible to contact these households or if the households fear reprisal, the county office will contact collateral contacts with knowledge of the situation.

If a DHS county office worker suspects an AR is using a household's SNAP benefits improperly, he or she will report the circumstances to the Central Office, Supplemental Nutrition Assistance Program (SNAP) Section, who will relay the report to Food and Nutrition Services.

No formal control procedures are mandated for county offices. If a county office has historically had problems with AR abuse of the Supplemental Nutrition Assistance Program, or if a problem appears to be developing in this area, a control procedure may be advised by the DCO County Administrator.

960 Verifying the Identity of an AR

SNAP MANUAL 12/01/98

If an AR applies on behalf of a household, the identity of both the AR and the head of the household must be verified. Any document which reasonably establishes the identity of the AR must be accepted. Examples of such documents are a driver's license, a work or school ID, an ID for health benefits or other assistance, voter registration card, wage stubs, or birth certificate. A collateral contact may be made if documentary evidence is unavailable.

970 Disqualifying ARs

SNAP MANUAL 12/01/98

If a DHS county office obtains evidence that an AR has misrepresented a household's circumstances and has knowingly provided false information about the household, or has used the household's SNAP benefits improperly, the ES supervisor may disqualify that individual. If disqualified, that individual may not serve as an AR in the Supplemental Nutrition Assistance Program for a period of up to one year. The exact period of time will be left to the discretion of the ES supervisor so long as it does not exceed one year.

To disqualify an AR, the county office will send a letter to both the AR and the household that the AR has been representing. The letter will be sent 30 days prior to the date of the disqualification and will contain:

1. The proposed action (disqualification);
2. The reason for the disqualification;
3. The household's right to request an administrative hearing;
4. The telephone number of the county office; and
5. If possible, the name of the person to contact for additional information.

980 Residential Facilities as Authorized Representatives (ARs)

SNAP MANUAL 01/01/07

Residents of certain classes of residential facilities may choose to participate in the Supplemental Nutrition Assistance Program if the facility has been authorized by the Food and Nutrition Service (FNS) or the appropriate state agency (Arkansas Department of Health & Human Services, Division of Behavioral Health Services, Alcohol and Drug Abuse Prevention). The agency or agencies authorizing the facility must have determined that the facility is a non-profit organization.

Any organization, institution, or group living arrangement that serves as an AR is responsible for any misrepresentation or fraud knowingly committed when resident households are approved for SNAP benefits. For this reason, the employee designated to serve as the AR must be familiar with each resident's household situation and must carefully review each application for SNAPs with the household before submitting the application to the county office.

A facility will also be strictly liable for all misuse of SNAP benefits received on behalf of resident households and for all over issuances that occur while households are residing in the facility and are represented by the facility. There are two exceptions:

EXCEPTION 1: Residents of group living arrangements applying on their own behalf are responsible for over issuances as would be any other household.

EXCEPTION 2: Residents of shelters for battered women and children are responsible for any misinformation and/or over issuances even if they were certified through an AR.

When it is determined administratively or judicially that a facility has misappropriated or used SNAP benefits for purposes not contributing to a certified household's meals, the facility may be penalized. Employees of alcoholism and drug addiction treatment centers and the heads of group living arrangements that intentionally misrepresent a resident's circumstances while acting as the resident's authorized representative in the Supplemental Nutrition Assistance Program may be prosecuted under applicable state and federal statutes for their acts.

The county office will promptly notify the Central Office Supplemental Nutrition Assistance Program (SNAP) Section in writing when it believes that a facility is misusing SNAP benefits. The SNAP Section will, in turn, notify FNS when it has reason to believe that the facility is misusing SNAP benefits. FNS will determine whether a facility will be disqualified.

No action will be taken by the state against the facility before FNS takes action. If FNS disqualifies an organization or institution as a result, the SNAP Section will notify the county office of this action. The County Office will then suspend the violator's status as an AR for the same time period as instructed in SNAP 970.

If a group living arrangement has its status as an AR suspended, residents applying on their own behalf may still participate.

A claim will be established against the facility for over issuances of SNAP benefits held for resident households if such over issuances are discovered during an FNS investigation or hearing.

981 Alcoholic and/or Drug Addiction Treatment Centers

SNAP MANUAL 01/01/07

A treatment center is any such residential program conducted by a private non-profit organization or institution or a publicly operated community mental health center (under Part B of title XIX of the Public Service Act) to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.

In order for the residents of a drug addiction and/or alcoholism treatment center to be certified to receive SNAP benefits, the center must provide evidence that it is tax exempt and certified by the State agency responsible for the treatment and rehabilitation of drug addicts or alcoholics as:

- Receiving funding under part B of title XIX, **or**
- Eligible to receive funding under part B or title XIX if no funds are being received: **or**
- Operating to further the purposes of part B or title XIX to provide treatment and rehabilitation of drug addicts and/or alcoholics.

Even if the treatment center does not meet one of these criteria but has been authorized by FNS as a retailer (can use the SNAP benefits to purchase food for residents), the residents may receive SNAP benefits.

Residents of alcoholic and/or drug addiction treatment centers must apply for Supplemental Nutrition Assistance Program (SNAP) benefits through an authorized representative (AR) who is an employee of the treatment center. In order to avoid duplicate entries on the ANSWER System, the AR will not be classified as an alternate payee. The treatment center will maintain control of the resident's electronic benefits transfer (EBT) card and personal identification number (PIN) as long as the customer continues to reside at the center.

When a county office receives an inquiry from an alcoholic and/or drug addiction treatment center about participating in the Supplemental Nutrition Assistance Program, the center should be provided with a copy of the pamphlet on DHS SHARE entitled *ALCOHOLISM AND DRUG ADDICTION TREATMENT CENTERS SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM PARTICIPATION*.

The DHS county office must verify that the treatment center meets one of the requirements shown in this section of policy (certified as a treatment center by the State or authorized by FNS to accept SNAP benefits) before any of the residents of the treatment center are certified to receive SNAP benefits.

900 Authorized Representatives

981 Alcoholic and/or Drug Addiction Treatment Centers

A list of funded treatment centers is available on the DHS web-sites at:
http://www.arkansas.gov/dhs/dmhs/CURRENT%20Funded%20Providers%20TW%20Updated%206-2010.pdf

A list of unfunded treatment centers is available on the DHS web-site at:
http://www.arkansas.gov/dhs/dmhs/CURRENT%20Non%20Funded%20Providers%20TW%20Updated%20June%202010.pdf

If the treatment center name does not appear on one of these lists, the treatment center may provide as verification a letter, license, or other certification issued by the DHS Office of Alcohol and Drug Abuse Prevention that shows that the treatment center meets the Supplemental Nutrition Assistance Program standards for certification as listed above. If the treatment center cannot provide documentation that it meets these standards, the DHS county office should facilitate contact between the center and the DHS, Division of Behavioral Health Services, Office of Alcohol and Drug Abuse Prevention. The Office of Alcohol and Drug Abuse Prevention will be asked to make a determination as to whether the treatment center is operating to further the purpose of part B of title XIX, to provide treatment and rehabilitation of drug addicts and/or alcoholics. This requirement may be met with a simple letter from the Office of Alcohol and Drug Abuse Prevention that this office acknowledges that the treatment center is operating for this purpose.

The address and telephone number for this office is:

Alcohol and Drug Abuse Prevention
4313 West Markham
Little Rock, Arkansas 72205

Telephone (501) 686-9867

If the Food and Nutrition Service Office has authorized the treatment center as a retailer, the DHS county office may use that authorization as verification.

The address for Food and Nutrition Service is:

700 West Capitol, Room 3319
Little Rock, AR 72201

Telephone (501) 324-5858

A copy of the pamphlet and all applicable policy should be provided to participating treatment centers. This includes the policies at SNAP 1820-1825 and SNAP 980-981.5.

981.1 Treatment Center's Responsibilities

SNAP MANUAL 12/01/98

Each alcoholic and/or drug addiction treatment center must maintain a *Daily Census Report* (DCO-254). A copy of the DCO-254 must be provided to the county office at the end of each month.

At least once each year, the county must make an onsite visit to each treatment center to compare the center's records to the information submitted on the DCO-254. (The center's records for at least one month must be compared to the information submitted on the DCO-254.) A form, *Alcoholic and/or Drug Addiction Treatment Center Record of On-Site Visit*, (DCO-263) may be used to record these visits.

The DCO-263 is not a mandatory form. However, any record of an onsite visit prepared by the county should contain at least the information provided on the DCO-263.

981.2 Accessing EBT Benefits

SNAP MANUAL 01/01/07

Alcoholic and/or drug addiction treatment centers that have only Arkansas Department of Health & Human Services, Division of Behavioral Health Services, Alcohol and Drug Abuse Prevention certification will purchase food for the residents by using the resident's EBT cards at retail outlets.

In treatment centers that have been authorized by FNS to use Supplemental Nutrition Assistance Program (SNAP) benefits, a Point of Sale (POS) device may be installed. In centers with a POS device, the authorized representative will swipe the resident's EBT card through the center's POS device to obtain benefit authorization. When the EBT card authorization occurs, the SNAP benefits will be debited from the resident's account and transferred through the settlement process to the treatment center's bank account. The treatment center will use the funds in the bank account to purchase food for the center.

981.3 Special Procedures for Authorized Representatives(AR)

SNAP MANUAL 12/01/03

For residents of alcoholic and/or drug addiction treatment centers, an EBT card will be issued for the resident. However, the resident will not be given access to the EBT card or personal

identification number (PIN) until he or she leaves the treatment center. For the protection of center employees, treatment centers are advised to maintain records of when each resident's EBT card was received and when the card was provided to the resident or when the EBT card was destroyed. See SNAP 981.4 for additional information.

981.4 When a Resident Leaves a Treatment Center

SNAP MANUAL 01/01/07

When a resident leaves an alcoholic and/or drug addiction treatment center, the treatment center must report the departure to the DHS county office immediately. The treatment center will provide his or her EBT card to the resident; and if possible, will instruct the resident to call the Customer Service Help Desk at 1-800-997-9999 to request a new PIN. If the resident leaves without notifying the treatment center, the resident's EBT card will be destroyed immediately by burning the card or by cutting the card into at least three pieces. If possible, the treatment center should provide the household with a *Change Report Form* (DCO-234) to report their new address and other circumstances to the DHS county office.

981.5 Treatment Center Guidelines for Supplemental Nutrition Assistance Program Participation

SNAP MANUAL 01/01/07

A treatment center is any such residential program conducted by a private non-profit organization or institution or a publicly operated community mental health center (under Part B of title XIX of the Public Service Act) to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.

In order for the residents of a drug addiction and/or alcoholism treatment center to be certified to receive SNAP benefits, the center must provide evidence that it is tax exempt and certified by the State agency responsible for the treatment and rehabilitation of drug addicts or alcoholics as:

- Receiving funding under part B of title XIX, or
- Eligible to receive funding under part B or title XIX if no funds are being received: or
- Operating to further the purposes of part B or title XIX to provide treatment and rehabilitation of drug addicts and/or alcoholics.

Even if the treatment center does not meet one of these criteria but has been authorized by FNS as a retailer (can use the SNAP benefits to purchase food for residents), the residents may receive SNAP benefits.

Treatment centers that wish to be certified by the State may contact:

Arkansas Department of Health & Human Services
Division of Behavioral Health Services, Alcohol and Drug Abuse Prevention
4313 West Markham
Little Rock, AR 72205.

The telephone number is (501) 686-9875.

Treatment centers that wish to be authorized by FNS to use SNAP benefits as a retailer must contact FNS at:

700 West Capitol
Room 3319
Little Rock, AR 72201

The telephone number is 501- 324-5851.

A treatment center must agree to be responsible for any misrepresentation or fraud knowingly committed when resident households are approved for SNAP benefits.

A treatment center must designate an employee in writing to serve as an authorized representative (AR) for all residents. The AR will make an application for SNAP benefits on behalf of center residents. The AR will use the resident's electronic benefits transfer (EBT) card and personal identification number (PIN) to access the resident's SNAP benefits. The resident will not have access to the EBT card and PIN while he or she is residing at the treatment center

Only treatment centers authorized by FNS to use SNAP benefits as a retailer will be allowed to have an EBT point of sale (POS) device at the center.

The DHS County Office worker will issue a *Change Report* (DCO-234) for each approved application. The AR will be asked to report within 10 days if there are changes in any resident's circumstances while he or she is residing at the treatment center.

When a resident leaves a treatment center, the center must notify the DHS county office immediately. If possible, the resident's EBT card will be given to the resident and the resident will be instructed to call the Customer Service Help Desk at 1-800-997-9999 to request a new PIN. If not, the EBT card must be destroyed. If none of the household's SNAP benefits have been accessed before the resident's departure, the treatment center must not access any portion of the benefits after the resident's departure.

A treatment center must insure that residents who leave on or before the 15th of the month have access to one-half of their monthly SNAP benefit amount. In treatment centers where the EBT cards are used to shop, the center will insure that one-half the resident's monthly benefit amount remains in the resident's account until the 16th of the month. In treatment centers that utilize an EBT point of sale (POS) device, the center may do a SNAP purchase refund if the resident departs on or before the 15th of the month. Or the center may swipe the EBT card through the POS on a weekly or biweekly basis to cover the costs of the resident's meals for that period.

Once a resident leaves a treatment center, the resident, not the treatment center, has access to any SNAP benefits remaining in the resident's EBT account. This applies any time of the month.

A treatment center must maintain a *Daily Census Report* (DCO-254) and provide a copy to the appropriate county office at the end of each month.

The DHS county office will conduct a yearly on-site visit to each treatment center to compare the Daily Census Report to the center's records.

982 Group Living Arrangements

SNAP MANUAL 12/01/98

A resident of a group living arrangement as defined in the Glossary under "Group Living Arrangement" has three options in applying for SNAP benefits. They are:

1. Apply and be certified as a one-person household through an AR employed by and designated in writing by the group living arrangement;
2. Apply themselves and be certified on their own behalf if they are capable; or
3. Apply and be certified through an AR of their choice.

The group living arrangement will have the discretion of deciding if a resident may apply for SNAP benefits on his or her own behalf. This decision will be based upon the resident's physical and mental ability to handle his or her business.

982.1 Accessing EBT Benefits

SNAP MANUAL 12/01/98

A resident of a group living arrangement may use their EBT card to access their benefits or may allow the authorized representative to use their EBT card to access their benefits. In order to avoid duplicate entries on the ANSWER system, employees of a group living arrangement may no longer serve as the alternate payee or the primary payee for residents. Instead, the

employee will be designated as the resident's AR. If the group living arrangement determines that it is not in the resident's best interest to possess and/or use the EBT card to access EBT benefits, the authorized representative will maintain physical control of the resident's card and personal identification number (PIN).

983 Shelters for Battered Women and Children

SNAP MANUAL 12/01/98

A woman or a woman with children who is temporarily residing in a shelter for battered women and children may apply for SNAP benefits and be certified without the use of an AR. Shelter residents do have the option of appointing an AR. The AR may be an individual of the resident's choice. If the resident cannot appoint an AR and will be endangered by leaving the shelter, the shelter may appoint a shelter employee or a volunteer to act as an AR.

983.1 Accessing EBT Benefits

SNAP MANUAL 12/01/98

A resident of a shelter for battered women and children will retain control of their SNAP benefits and EBT cards even if certified through an AR.

990 Purpose

SNAP MANUAL 07/01/94

The Fraud Investigations Unit identifies, investigates, and refers for prosecution any individual accused of committing Theft of Property or Theft of Public benefits as defined by state law. This includes Agency staff, recipients, providers, or other persons who deliberately violate the rules and regulations of DHS to defraud the state. The Fraud Unit also prepares the Administrative Disqualification File on persons accused of committing an intentional program violation.

991 Organization

SNAP MANUAL 03/01/02

The Fraud Investigations Unit is organizationally located within the Office of Chief Counsel.

992 Functions

SNAP MANUAL 03/01/02

The Fraud Investigations Unit has the following major functions:

- Review the case record and independently verify information contained in the file to determine if a criminal investigation is warranted.
- Investigate to gather evidence in cases where there is a probability that a fraudulent act was committed.
- Refer to the prosecutor appropriate cases in which facts are obtained prove that the accused person, by deception, received DHS monies/benefits to which he/she was not entitled.
- Refer for an administrative disqualification hearing or secure a waiver of an administrative disqualification hearing on cases not referred to the prosecutor if these cases contain evidence of an IPV.

993 Referral Sources

SNAP MANUAL 07/01/94

Reports of suspected fraud may be received from any source within the Department of Human Services, the general public, public officials, or other public agencies, or by the Fraud Investigations Unit itself.

994 Reporting Suspected Fraud

SNAP MANUAL 03/01/02

A Supplemental Nutrition Assistance Program (SNAP) case will be referred for an investigation when:

- The suspected fraudulent act(s) resulted in a cumulative overpayment of $125 or more.
- The client is suspected of receiving assistance in two or more names, counties or states.
- There is a report of trafficking in SNAP benefits. Trafficking means the buying or selling of SNAP benefits or Electronic Benefits Transfer (EBT) cards for cash or for consideration other than eligible foods; or the exchange of firearms, ammunition, explosives or controlled substances for SNAP benefits.

Referrals from DHS sources are made via a Suspected Fraud Report (DHS-1700).

995 Review of Case

SNAP MANUAL 03/01/02

When a referral is made to the Fraud Investigations Unit, the circumstances will be reviewed to determine if the case warrants investigation toward criminal prosecution.

If one or more of the following facts are present, the case will not be referred for prosecution:

- Total amount of the overpayment resulting from the alleged fraud is less than the minimum dollar amount set by the criminal statute.
- The age or education of the suspect is not conducive to proving criminal intent.
- The statute of limitations has run on all evidence referred;
- The suspect is permanently residing out of state.

Cases not referred to the prosecutor that contain evidence of an intentional program violation will be referred for an administrative disqualification hearing.

996 Case Accepted for Investigation

SNAP MANUAL 03/01/02

The following procedures will be completed on reports of suspected fraud that warrant criminal prosecution:

1. The case record and any other pertinent information concerning the suspected recipient will be requested from the County Administrator. DHS offices, sections, and units must release any requested information to the Fraud Investigations Unit.
2. The investigator assigned to the case will:
   A. Examine the case record and/or any other records on file within or outside DHS for suspected false statements of clients, providers or other persons.
   B. Conduct a systematic inquiry to determine validity of allegations of criminal conduct. Such investigation may entail interviewing workers or witnesses with knowledge of the case, providers, division staff, and the suspect for any accounts of alleged conduct.
   C. Determine the net amount of the overpayment that resulted from the fraudulent act within the criminal statute of limitations or within time frames set out in overpayment policy for cases referred for an Administrative Disqualification Hearing.
   D. Prepare a written, documented report at the completion of the investigation for referral to the Prosecutor.

E. Secure a waiver of the administrative disqualification hearing or complete the referral for an administrative disqualification hearing (DHS-1208).
F. Administratively close the investigation if, at any stage of the inquiry, the investigative staff determines that the case is not suitable for prosecution or for referral for an Administrative Disqualification Hearing.
G. Notify the Overpayment Unit and the DHS county office of the disposition of the investigation and return copies of the case record to the county office.

997 Disposition of Investigations

SNAP MANUAL 03/01/02

The Fraud Investigations Unit will notify the county administrator of the initial disposition of each referral.

When a case is referred for prosecution, the Fraud Investigations Unit will request that the Prosecuting Attorney file charges, send a copy of that request to the DHS county office, and advise the Overpayment Unit of the factual basis for the overpayment.

When the Fraud Unit feels that a case should be referred for an Administrative Disqualification Hearing, a Hearing Statement (DHS-1208) will be provided to the Overpayment Unit. The Overpayment Unit will determine whether or not the cases should be referred to Appeals and Hearings for an Administrative Disqualification Hearing.

When the individual suspected of committing the IPV signs a Waiver of Hearing and Disqualification Agreement (Form DHS-267), the Fraud Investigations Unit will advise the DHS county office and the Overpayment Unit of the facts of the case. A copy of the DHS-267, and, if negotiated, a copy of the Repayment Agreement will be provided. See SNAP 16830 for additional information.

For cases administratively closed, the Fraud Investigations Unit will forward a memo to the County Office and the Overpayment Unit explaining the reason for the closure. If an overpayment has been calculated, these documents will be forwarded to the Overpayment Unit for collection.

The final disposition of cases adjudicated by the court will be furnished to the county office and the Overpayment Unit by the memorandum from the Director of the Fraud Investigations Unit.

998 Decision to Prosecute

SNAP MANUAL 07/01/94

The Director of the Fraud Investigations Unit will present to the Prosecuting Attorney of jurisdiction the original investigative report of those cases deemed worthy of prosecution. The prosecutor has sole discretion to prosecute, accept repayment in lieu of prosecution, or decline to prosecute.

1110 Summary

SNAP Manual 10/01/97

- SNAP benefits are based on the number of eligible household members.
- The Case head is a responsible adult or an emancipated minor in whose name an application for SNAP benefits is submitted. The SNAP household, not the county office, designates the Case head.
- The household must be residing in Arkansas. There are no restrictions on the duration of residence.
- Eligible household members are normally those people who live together and purchase and prepare food together. People who live in the home but are not included in the SNAP household may include disqualified members (see SNAP 1623), ineligible members (see SNAP 1620), boarders (see SNAP 1624) and people who have established a separate household unit. See SNAP 1631 for restrictions on separate households.
- Members of some residential facilities such as drug and alcoholic treatment centers, shelters for battered women, group living arrangements and shelters for the homeless may participate in the Supplemental Nutrition Assistance Program (see SNAP 1800). No other person living in an institution may participate in the Supplemental Nutrition Assistance Program. Boarders may not participate in the Supplemental Nutrition Assistance Program.

1200 Eligibility Factors

SNAP Manual 10/01/97

An eligibility factor is a requirement that must be met before an application for SNAP benefits may be approved. Eligibility factors may be applied to entire households (e.g. residency) or to individual members (e.g. citizenship). In this section of policy, eligibility factors dealing with households and with individual members of households are discussed. The factors are presented in the order in which they are applied.

1300 Process 1 - Determining Residency

SNAP Manual 02/01/20

The first eligibility factor to be considered is residency. A household must reside in Arkansas. Also, there is no requirement for a household to have lived in Arkansas for any length of time or even for a household to intend to reside in Arkansas permanently. Thus, eligible households that move frequently may participate in the Supplemental Nutrition Assistance Program (SNAP) as long as they currently reside in Arkansas and participate in only one state in a given month.

A fixed residence is not required. For example, campsites used by homeless individuals or migrant farm workers satisfy residency requirements. Since such households may not have a normal or standard mailing address, and to "reside" does not mean having a mailing address, "General Delivery" may be used as the mailing address.

People who are visiting in Arkansas for a brief period for recreational purposes are vacationers. Vacationers do not meet the residency requirements. Students who return to their permanent home during school breaks and elderly retired individuals who spend a portion of the year with relatives are not vacationing and meet residency requirements. Children who spend the summer months with grandparents, other relatives, or friends also meet residency requirements and may participate in the household where they are spending the summer.

No individual may participate in the Supplemental Nutrition Assistance Program more than once in any month unless the individual is a resident of a shelter for battered women and children (SNAP 1840) or the individual is being claimed as a member of one household and actually resides in another if the conditions in SNAP 12226 are met.

1310 Household Does Not Meet Residency Requirements

SNAP Manual 02/01/20

If an applicant does not live in Arkansas, the application will be denied, and the household will be advised to apply in its state of residence. Case records are not sent out of the state.

NOTE: If a county office worker establishes through any source that a household has moved from Arkansas to another state, the household's case must be closed. This policy applies across the board to all SNAP households regardless of the household's reporting requirements. No advance notice is required. See SNAP 11450 and SNAP 11571. If the worker suspects the household has moved from the State, a request for contact will be sent as instructed in SNAP 12400.

1320 Addresses

SNAP Manual 02/01/20

Each application must contain a complete and correct address. It is also essential that the county office know how to locate the household if a home visit, field investigation, or quality assurance review is to be conducted. Instructions about how to locate the home must be documented in the eligibility system.

1330 Verification of Residency

SNAP Manual 02/01/20

Verification of residency will be obtained at initial application and thereafter when information regarding residency is incomplete, inaccurate, inconsistent or outdated. See the Glossary, definition of "Verification" for additional information.

Verification may be waived when such verification cannot reasonably be accomplished. For example, verification may be waived when newly arrived households, migrant households, or homeless individuals apply. A home visit may be in order for such households. See the definition of "Verification" in the Glossary for an explanation of a home visit as a part of the application process.

No specific source of verification of residency is mandated. Acceptable verification includes rent receipts, mortgage payment books, utility receipts, or a driver's license if these documents contain the applicant's current physical address. Current utility receipts or receipts for utility deposits are preferred. (These items may also serve as verification of identity or expenses.) If verification of residency cannot be established through these sources, collateral contacts or other readily available documentary evidence which reasonably establishes the household's residency must be accepted. Failure or refusal to provide verification of residency will result in denial of the SNAP application for non-expedited households.

1400 Process 2 - Verifying Identity

SNAP Manual 02/01/20

The identity of the person making application must be verified at the time of the application interview, and thereafter if information regarding identity is incomplete, inaccurate, inconsistent or outdated. See the Glossary definition of "Verification" for additional information.

If an authorized representative (AR) applies on behalf of the household, the identity of both the AR and the head of the household must be verified.

1500 Process 3 - Designation of Case head

SNAP Manual 02/01/20

When a household makes application for SNAP benefits for the very first time, the case head must be established. After the case head is established, the case will be filed in the county's file under the name of the case head and all notices pertaining to the household's eligibility will be sent to the case head.

The household, not the county office worker, normally designates the case head. It is not necessary that the case head be present for the interview. Any responsible household member may make application and appear for the interview, or the interview may be conducted with an authorized representative.

In no instance will an application be denied solely due to the lack of a responsible adult member to serve as the case head. If a responsible household member is not available to serve as the case head and the household cannot find a relative or friend to serve as an authorized representative, the worker will assist the household in completing the application and obtaining the necessary verification.

1600 Process 4 – Determining Household Composition

SNAP Manual 02/01/20

A SNAP household is normally composed of an individual living alone or a group of individuals who live together and who customarily purchase food and prepare meals together. To "customarily purchase and prepare together" means that the household purchases food and prepares meals for home consumption as one unit more than 50% of the time. This includes individuals who intend to purchase and prepare meals for home consumption as a unit but lack the financial means to do so until SNAP benefits are received.

1620 Evaluating Eligibility of Members

SNAP Manual 02/01/20

The county office worker will evaluate each household member listed on the application to determine if that member is eligible to participate in the Supplemental Nutrition Assistance Program. The categories of individuals who are not eligible to participate in the Supplemental Nutrition Assistance Program are listed below.

1. Ineligible Aliens-Undocumented Aliens - See SNAP 1621 for details regarding qualified aliens. Ineligible-Undocumented aliens are those who are unable or unwilling to verify immigration status.
2. Certain Students Enrolled in an Institution of Post-Secondary Education - See SNAP 1622.2 for an explanation of which students are ineligible to participate in the program.
3. Disqualified Individuals - This includes people disqualified for any of the following reasons:
    a. An intentional program violation (IPV) as defined in SNAP 15410
    b. Failure to comply with the social security number (SSN) requirement as explained in SNAP 2100
    c. Failure or refusal to comply with the work registration requirements explained in SNAP 3400
    d. Noncompliance with the Workfare requirement explained in SNAP 3700
    e. Being currently classified as a fleeing felon as explained in SNAP 1622.10
4. Boarders - See SNAP 1624 for an explanation of boarder policy.
5. Residents of Institutions - See SNAP 1800 for a definition of an institution and the exceptions to this rule.
6. OCSE (Office of Child Support Enforcement) Non-cooperation Disqualification -This includes both custodial parent and non-custodial parent who do not cooperate with OCSE.

1621 Citizenship Status

SNAP Manual 12/01/24

Participation in the Supplemental Nutrition Assistance Program is limited to US citizens and certain non-citizens who are lawfully residing in the United States.

Proof of citizenship will only be requested if an individual's U.S. citizenship is questionable.

A United States citizen is:

- A person (other than the child of a foreign diplomat) born in the United State of America or in the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands who has not renounced or otherwise lost his or her citizenship.
- A person born outside of the United States to at least one (1) U.S. citizen parent. (These individuals are sometimes referred to as "derivative citizens.")
- A naturalized U.S. citizen.

Individuals who claim to be naturalized citizens must have completed all the requirements for citizenship, including the swearing in, and must have verification of their status as a naturalized citizen before they can participate in the Supplemental Nutrition Assistance Program as a citizen. (They may participate as a non-citizen if they meet those requirements.)

A United States non-citizen national is:

- A person born in American Samoa or Swain's Island on or after the date the U.S. acquired the possession of either territory.
- A person whose parents are U.S. non-citizen nationals.

U.S. non-citizen nationals are treated as U.S. citizens.

The DHS County office worker must accept participation in another program as acceptable verification if verification of citizenship or non-citizen national status was obtained for that program. For other household members whose citizenship is questionable, the worker may accept any of the following documents as proof of citizenship:

- Birth certificate showing birth in one of the fifty (50) states, the District of Columbia, Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa, and Swain's Island or the Northern Marianna Islands.
- United State passport except for limited passports which are issued for periods of less than five (5) years.
- Report of birth abroad of a U.S. citizen issued by the Department of State.
- Certificate of birth by a foreign-service post.
- Certificate of Naturalization.

- Certificate of Citizenship issued to individuals who derive their citizenship through a parent.
- Northern Marianna Identification Card
- Statement provided by a U.S. consular officer certifying that the individual is a U.S. citizen.
- American Indian Card with a classification code "KIC"
- Adoption Finalization Papers that show the child's name and place of birth in the United States or one (1) of its territories.

If none of these documents is available, the alien may provide secondary evidence such as religious records, school records, or census records that indicate birth in the United States.

If the household cannot obtain any of the forms listed above to verify citizenship and the household can provide a reasonable explanation as to why verification is not available, the worker will accept a signed statement, under penalty of perjury, from a third party indicating a personal knowledge that the member in question is a U.S. citizen or non-citizen national. The signed statement must contain a warning of the penalties for helping someone commit fraud. In the absence of verification or third party attestation of U.S. citizenship or non-citizen national status, the household member whose citizenship status is in question will be treated as an ineligible alien (see SNAP 1621.6) until the issue is resolved.

A legal immigrant who has lived in the United States as a qualified alien for a period of five (5) years or longer may participate in the Supplemental Nutrition Assistance Program if otherwise eligible. See SNAP 1621.1.

Not all aliens who are residing in the United States are allowed to participate in the Supplemental Nutrition Assistance Program. With some exceptions, aliens will be allowed to receive SNAP benefits only if:

1. The alien meets the criteria to be classified as a "qualified alien"; and
2. The alien meets one (1) of the conditions under which a "qualified alien" may receive SNAP benefits.

See SNAP 1621.1 for an explanation of a qualified alien.

An alien who will be allowed to participate in the Supplemental Nutrition Assistance Program is referred to as an "eligible alien." However, "eligible aliens" must also meet Supplemental Nutrition Assistance Program requirements such as income and resource limits.

Ineligible aliens include aliens such as, but not limited to:

- Visitors and tourists;
- Students;

- Diplomats;
- Aliens admitted under color of law;
- Aliens who have applied for eligible status but have not yet been approved; and
- Aliens who have a questionable or unverified status.
- COFA citizens residing in American Samoa, Puerto Rico, or the Commonwealth of the Northern Mariana Islands (CNMI)

1621.1 Qualified Aliens

SNAP Manual 12/01/2024

A qualified alien is:

- An alien who is lawfully admitted for permanent residence under the Immigration and Naturalization Act (INA). This category also includes "Amerasian immigrants" as defined under section 584 of the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1988.
- An alien who is granted asylum under section 208 of the INA.
- A refugee admitted to the United States under section 207 of the INA. This includes victims of severe forms of trafficking, their minor children, spouses, and in some cases, their parents and siblings. See SNAP 1621.3.4 for additional information about trafficking victims.
- An alien who is paroled into the United States under section 212(d)(5) of the INA for a period of at least one (1) year.
- An alien whose deportation is being withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or whose removal is withheld under section 241(b)(3) of the INA.
- An alien granted conditional entry under section 203(a)(7) of the INA as in effect before April 1, 1980.
- An alien who is a Cuban or Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act of 1980.
- Compacts of Free Association (COFA) citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau who lawfully reside in the United States.
- A battered alien. See SNAP 1621.1.1 below for additional information about battered aliens.

1621.1.1 Battered Aliens

SNAP Manual 02/01/20

An alien may be classified as a qualified alien if he or she has been subjected to battery or extreme cruelty in the United States by a family member with whom they reside.

Qualified alien status also extends to an immigrant whose child has been abused or to an immigrant child whose parent has been abused. Battered aliens are exempt from the deeming requirements for a 12-month period. See SNAP 1621.7.1.

1621.2 Participation for up to Seven Years

SNAP Manual 02/01/20

Any of the following qualified aliens may participate in the Supplemental Nutrition Assistance Program for up to seven (7) years from the date of admission to the United States if otherwise eligible:

- Aliens who were granted asylum under section 208 of the INA.
- Aliens who were granted status as a refugee under Section 207 of the INA.
- Aliens whose deportation was withheld under section 243(h) or, after April 1, 1997, section 241(b)(3) of the INA.
- Aliens who were admitted as an Amerasian immigrant pursuant to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988.
- Aliens who were admitted as a Cuban or Haitian entrant under 501(e) of the Refugee Assistance Act of 1988.

Refugees that are admitted under Section 207 of the Immigration and Nationality Act are given refugee status before the person enters the country. Therefore, for refugees, the seven-year count begins the date the refugee enters the U.S. The seven-year limit for refugees does not change once established. This applies even if the refugee's immigration status is later changed to another legal immigration status.

1621.3 Other Eligible Aliens

SNAP Manual 02/01/20

Any of the following aliens may participate in the Supplemental Nutrition Assistance Program if otherwise eligible.

1. Any alien who has lived in the United States as a qualified alien for a period of five years or longer may participate in the Supplemental Nutrition Assistance Program if he or she is otherwise eligible." See SNAP 1621.3.1. This includes those aliens described in SNAP 1621.2.
2. Any alien who is CURRENTLY ADMITTED FOR PERMANENT RESIDENCE as defined in Section 101(a)(2) of the INA and who can be credited with 40 quarters of work (their own, a spouse's or a parent's). See SNAP 1621.3 for instructions on determining if the alien meets 40 quarters of work.

3. Any qualified alien (as defined in SNAP 1621) who is a veteran of or is on active duty in the U.S. armed forces (e.g., has a military connection) OR any alien who is the spouse or dependent child of an individual with a military connection. See SNAP 1621.4 for additional information about aliens with a military connection
4. Any qualified alien who was lawfully present, as defined in SNAP 1621, in the United States on August 22, 1996, was age 65 or older on August 22, 1996 (i.e., were born on or before August 22, 1931) may participate in the Supplemental Nutrition Assistance Program for an unlimited lime if he or she is otherwise eligible.
5. Any qualified alien who is under 18 years of age may participate in the Supplemental Nutrition Assistance Program if otherwise eligible until he or she turns 18. After the child turns 18, the child may continue to be eligible for SNAP benefits only if he or she meets another alien eligibility status such as having qualified alien status for five years. If the child will turn 18 during the household's upcoming certification period, the county office worker must take action to review the SNAP case prior to the month in which the child turns 18. If the worker cannot determine from the information in the case that the child meets another alien eligibility status, a request for contact (SNAP 12400) will be issued to the household. If the household does not respond to the request for contact or does not provide the information needed to determine the child's alien eligibility status, the case will not be closed. Instead, the child will be classified as an ineligible alien. (See SNAP 1621.6 for instructions on handling the income and resources of an ineligible alien. These instructions will also apply to the parent's income if the child is eligible but one or both of the parents are not eligible.)
6. Any qualified alien who is currently receiving one of the payments for blindness or disability listed in the Glossary, definition of "Aged/Disabled Household" may participate in the Supplemental Nutrition Assistance Program for an unlimited time if he or she is otherwise eligible.
7. Any American Indian born in Canada who possesses at least 50 per centum of blood of the American Indian race to whom the provisions of section 289 of the INA apply may participate in the Supplemental Nutrition Assistance Program for an unlimited time if he or she is otherwise eligible.
8. Any member of an Indian tribe as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act when the tribe is recognized as eligible for the special programs and services provided by the U.S. to Indians because of their status as Indians. (*This provision covers Native Americans who are entitled to cross the United States border into Canada or Mexico. These Indian tribes include, among others, the St. Regis band of the Mohawk in New York State, the Micmac in Maine, the Abenaki in Vermont, and the Kickapoo in Texas.*)
9. Any individual who is lawfully residing (as defined below) in the United States and who was a member of a Hmong or Highland Laotian tribe at the time the tribe rendered assistance to United States personnel by taking part in a military or rescue operation

during the Vietnam era beginning August 5, 1964, and ending May 7, 1975. The spouse or surviving spouse (if not remarried) and unmarried, dependent children (natural or legally adopted) of such an individual may also receive SNAP benefits if otherwise eligible. (This includes unmarried, dependent children under the age of 18, unmarried, dependent children between the ages of 18 and 22 who attend school full time, and unmarried, dependent disabled children aged 18 and older so long as the child was disabled and dependent prior to his or her 18th birthday. It also includes the unmarried children of a deceased tribe member if the child meets one of the criteria stated above and was dependent on the tribe member at the time of his or her death.)

The following aliens are considered by the Department of Justice to be lawfully residing in the United States:

- A qualified alien.
- An alien who has been inspected and admitted to the United States and who has not violated the terms of the status under which he or she was admitted or to which he or she was changed after admission.
- An alien who has been paroled into the United States pursuant to section 212(d)(5) of the INA for less than one year.
- An alien currently in temporary resident status pursuant to section 210 or 245A of the INA.
- An alien currently under Temporary Protected Status pursuant to section 244A of the INA.
- A Cuban Haitian entrant as defined in section 202(b) Public Law 99-603, as amended.
- A Family Unity beneficiary pursuant to section 301 of Public Law 101-649, as amended.
- An alien currently in deferred action status pursuant to Service Operations Instructions at OI 242.1(a) (22).
- An alien who is the spouse or child of a United States Citizen whose visa application has been approved and who has a pending application for adjustment of status.
- An applicant for asylum under section 208(a) of the INA and applicants for withholding of deportation under section 243(h) of the INA who have been granted employment authorization and such applicants under the age of 14 who have had an application pending for at least 180 days.

1621.3.1 Participation after Five Years as Qualified Alien

SNAP Manual 12/01/24

Any alien who has lived in the United States as a qualified alien for a period of five (5) years or longer may participate in the Supplemental Nutrition Assistance Program if he or she is otherwise eligible. The Immigration and Naturalization Service (INS) has the sole responsibility for determining the status of an immigrant as a qualified alien. The five (5) year waiting period begins on the date the immigrant obtains status as a qualified alien through the INS.

Even though some refugees may be granted qualified alien status prior to entering the United States, the five (5) year waiting period will begin with the date of entry into the United States.

A legal permanent resident may have been admitted to the United States under another status that confers qualified alien status. In that case, the five (5) year waiting period began on the date the alien became a qualified alien.

When qualified alien status is granted retroactively, the retroactive time will count towards the five (5) year requirement.

If the documentation presented by the alien provides the date on which the alien was granted qualified alien status, this documentation may be used to verify that the alien has met the five (5) year waiting period. (See SNAP 1621.5 for instructions on using the SAVE system to authenticate the documentation.)

For battered aliens, the five (5) year waiting period begins when the prima facie case determination is issued or when the abused immigrant's INS I-30 visa petition is approved. The relevant date for eligibility is the date the immigrant obtained qualified alien status as an abused immigrant rather than the date of that individual's immigration status, such as that of an alien legally admitted for permanent residence (LPR).

NOTE: Compacts of Free Association (COFA) citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau who lawfully reside in the United States are not subject to a waiting period and are immediately eligible for benefits as long as they meet all other SNAP financial and non-financial eligibility requirements.

1621.3.2 Aliens Who Have 40 Qualifying Quarters

SNAP Manual 02/01/20

NOTE: Any alien legally admitted for permanent residence who has resided in the United States as a qualified alien for at least five years may participate in the Supplemental Nutrition Assistance Program without establishing that he or she has 40 qualifying quarters of work. See SNAP 1621.3.1.

Aliens legally admitted for permanent residence who can be credited with at least 40 qualifying quarters of work under Title II of the Social Security Act are not prohibited from receiving SNAP benefits if the household is otherwise eligible.

A qualifying quarter of work includes quarters worked by the alien, by a parent (natural, adoptive, or step) of an alien while the alien was under age 18, or by a spouse during a marriage if the alien remains married to the spouse or the spouse is deceased. (This does not include common-law marriages since such marriages are not recognized in Arkansas.) Quarters earned by a current spouse and one or more deceased spouses can be added together and credited. In the case of a divorce, the former spouse's quarters can no longer be credited. At the next household's next recertification, the alien's eligibility will be determined without crediting the alien with the former spouse's quarters of coverage.

If the alien lived with both parents, each parent's quarters will be counted individually. This means if both parents worked in the same quarter, this will count as two qualifying quarters of work. This also includes any quarters worked by a parent before a child was born or before the child entered the U.S. In the case of a natural or adoptive child, the child may be credited with the quarters even if the child is not living with the parent due to death, separation or divorce.

The stepparent/stepchild relationship will be severed by divorce but not by death. Therefore, at the first recertification following the divorce, the quarters credited to a stepchild by a stepparent will no longer be credited to the child.

Quarters of coverage earned by minor children cannot be credited to a parent. All quarters earned by a stepparent can be credited beginning with the quarter in which the marriage occurred if the marriage occurred before the alien turned 18 and did not end by divorce or annulment before the 40 quarters were credited. All quarters earned by an adoptive parent can be credited through the quarter the alien turns 18 if the adoption occurred before the alien turned 18. Quarters earned by a biological parent whose parental rights are lost as the result of an adoption of the child by another person are not creditable.

The Social Security Administration is the primary source of verification of qualifying quarters of work. An automated system has been developed to provide an array, by year beginning with 1937, of all qualifying quarters of work. The SSA automated system may be accessed via the SSA Query Screen (WQRY). The SSA Quarters of Coverage History System Appendix provides complete information about verifying qualifying quarters of work via the SSA automated system.

In some instances, there will be discrepancies between the information provided by SSA and the information provided by the alien. In other instances, the automated system will not provide verification of qualifying quarters of work. The SSA Quarters of Coverage History System Appendix also provides instructions for resolving discrepancies and for manual verification of qualifying quarters of work.

An alien may participate in the Supplemental Nutrition Assistance Program as an eligible household member for up to six months while SSA works to resolve a discrepancy between the information on their system and the information provided by the alien. However, when the county office is working with the alien to obtain verification of quarters of work not appearing on the system, the normal processing standards will apply. If the household does not provide the requested information by the specified deadline, the alien will be treated as an ineligible alien as per the policy in SNAP 1621.6.

Any quarter during which the alien actually received Federal means-tested public benefits is not a qualifying quarter. Quarters worked by a parent or spouse are not qualifying quarters if the parent or spouse actually received Federal means-tested public benefits in that quarter. SNAP benefits are classified as Federal means-tested public benefits. The following benefits have also been officially determined to be Federal means - tested public benefits for the purposes of this provision: Supplemental Security Income (SSI), Medicaid and Temporary Assistance for Needy Families (TANF). In Arkansas, the TANF Program is the Transitional Employment Assistance (TEA) Program.

1621.3.3 Individuals with a Military Connection

SNAP Manual 02/01/20

An alien with a military connection is one of the following:

1. Any alien on active duty in any branch of the U.S. armed forces.
2. Honorably discharged veterans of the U.S. armed forces who were discharged for reasons other than alienage and who have met the minimum active-duty service requirements of Section 5303(d) of Title 38, U.S.C. (These requirements are 24 months of service or service during the period for which the alien was called to duty.)
3. Military personnel who died in active military, naval or air service.
4. Individuals who served before July 1, 1946, in the organized military forces of the Government of Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the U.S. or in the Philippine Scouts as described in 38 U.S.C. 107.
5. The spouse or unmarried dependent child of a member of the armed forces or an honorably discharged veteran of the armed forces. This includes the surviving spouse of a deceased, honorably discharged veteran or an individual who died while on active duty if the spouse has not remarried and the marriage meets the requirements of Section 1304 of Title 38 U.S.C.

The requirements of Section 1304 of Title 38 U.S.C. are:

- Married for at least one (1) year;
- Married before the end of a 15-year span following the end of the period of military service in which the fatal injury was incurred or aggravated; or

- Married for any period if a child was born of the marriage or was born before the marriage.

A dependent child must be the legally adopted or biological child of individual with military connection and must meet at least one (1) of the following criteria:

- Under the age of eighteen (18)
- Under the age of twenty-two (22) and a full-time student
- An unmarried, disabled adult child *

** The child must have been dependent prior to his or her 18th birthday. Or, if the individual with the military connection is deceased, the child must have been dependent at the time of the individual's death.*

Aliens with a military connection that meet one (1) of the citizenship requirements in SNAP 1621.1 may participate in the Supplemental Nutrition Assistance Program for an unlimited period if otherwise eligible.

Aliens who are applying to participate in the Supplemental Nutrition Assistance Program based on military service must first provide documentation that he or she meets the citizenship requirements of SNAP 1621.1.

Any qualified alien who is currently serving in a branch of the U.S. armed forces must provide verification that he or she meets minimum active-duty service requirements. Veterans must provide documentation (e.g., DD Form 214) showing the discharge was classified as an honorable discharge. A surviving spouse of a deceased veteran or an individual who died while on active duty must provide verification that the marriage lasted at least one (1) year.

1621.3.4 Eligibility of Victims of Severe Trafficking

SNAP Manual 02/01/20

Under the Trafficking Victims Protection Act of 2003, the categories of non-citizens eligible to participate in the Supplemental Nutrition Assistance Program under the Trafficking Victims Protection Act of 2000 have been expanded to include the minor children, spouses, and in some case the parents and siblings of the victims of severe trafficking. Under the Trafficking Victims Protection Act of 2000, non-citizens classified as victims of severe trafficking are eligible to participate in the Supplemental Nutrition Assistance Program under the same provisions as refugees. (This means that trafficking victims may participate in the Program for up to seven years from the date of admission to the United States, if they are otherwise eligible. After a trafficking victim has lived in the United States as a qualified alien for five years, he or she may participate in the Program indefinitely if he or she is otherwise eligible.)

Victims of severe forms of trafficking are issued T visas. Eligible relatives of trafficking victims are issued non-immigrant visas designated as T-2, T-3, T-4, or T-5. These visas are collectively referred to as "derivative T visas." If a trafficking victim is under 21 years of age on the date, he or she filed for a T visa, derivative T-visas are available for the victim's spouse, children, and unmarried siblings under 18 years of age and parents. If the victim is age 21 or older on the date, he or she filed for a T visa, derivative T visas are available only for the victim's spouse or children.

1621.6 Handling the Resources and Income of Ineligible Aliens

SNAP Manual 02/01/20

The resources of ineligible aliens will be counted in their entirety when the household's eligibility is determined.

Households with an ineligible alien who is undocumented (i.e., unable, or unwilling to verify immigrations status), as described in SNAP 1620, must meet the gross income pretest to participate in SNAP. Determine the undocumented alien's gross countable income as instructed in SNAP 7500. If the household exceeds the income standard for their household size, deny the application. If the household meets the income standard for their household size, all but a pro rata share of the undocumented alien's income will be counted in the SNAP budget.

The gross income pretest does not apply to households with ineligible documented aliens. The income for ineligible aliens will be prorated across all household members including the ineligible aliens when determining the eligibility.

1621.7 Sponsored Aliens

SNAP Manual 02/01/20

Most immigrants who enter the U.S. must have a sponsor – someone who signs an affidavit promising to provide enough financial support to maintain the immigrant at or above 125 percent of the Federal poverty line. (This will be 100 percent for active-duty military.) Legal immigrants who enter the country under the provisions of immigration law other than the family-sponsored categories do not have sponsors whose income must be deemed into the SNAP budget. These categories include refugees and Asylee.

There are special procedures for some sponsored aliens under which a portion of the sponsor's income and resources are considered available to the alien. These are called deeming procedures. **The deeming requirements apply only to immigrants whose sponsor has signed a legally binding affidavit of support (Form I-864 or Form I-864A) on or after December 19, 1997**. Before December 19, 1997, affidavits of support were not legally binding meaning the sponsor could not be legally compelled to support the immigrant.

Even some of those aliens whose sponsor has signed a legally binding affidavit of support are exempt from the deeming procedures. These sponsored aliens are listed below:

- Ineligible aliens.
- Aliens participating in the Supplemental Nutrition Assistance Program as a member of the sponsor's household.
- Aliens sponsored by an organization or group rather than an individual.
- Sponsored aliens who have 40 qualified quarters of work as per SNAP 1621.3.1.
- Indigent aliens (see SNAP 1621.7.2 for additional information).
- Battered aliens (see SNAP 1621.7.1 for additional information).
- Aliens under the age of 18 (see SNAP 1621.3).

At each initial application and at each application for recertification afterward, the sponsored alien must provide information about his/her sponsor.

Deeming, which is the attribution of the sponsor's income and resources to the alien, lasts until the alien becomes a naturalized citizen, can be credited with 40 qualifying quarters of work (SNAP 1621.3.1), meets one of the exceptions listed above in items 1-6, or the sponsor dies.

The eligibility worker may verify whether an immigrant has a sponsor who has signed a binding affidavit of support by submitting to INS the Document Verification Request and Supplement (INS Form G-845 and G-845 Supplement) and requesting completion of block #7 - Affidavit of Support. (See SNAP 1621.4 for the website where this form may be downloaded and the mailing address for INS.)

Pending receipt of this form from INS, the worker will not delay, deny, reduce, or terminate the individual's SNAP benefits if he or she is otherwise eligible.

1621.7.1 Citizenship Requirements for Sponsored Aliens

SNAP Manual 06/01/01

Sponsored aliens must meet the citizenship requirements in SNAP 1621.1. If not, the sponsored alien is ineligible to participate in the Supplemental Nutrition Assistance Program and the deeming procedures will not apply. For sponsored aliens who meet the requirements in SNAP 1621.1 because they can be credited with 40 quarters of work, no deeming will apply. Sponsored aliens who meet the requirements in SNAP 1621.1 for other reasons, must meet the deeming procedures.

Deeming will be delayed for 12 calendar months for aliens who have been battered by a spouse, a parent, or another member of the household, if the battering is substantially connected to the need for benefits. This also applies to the alien child of a battered parent. (In other words, the alien had to leave the household where the battering occurred and, as a result, is in need of

SNAP benefits.) After 12 calendar months, deeming of the sponsor's income and resources is permanently eliminated if the battery has been substantiated in a court or by the U.S. Citizenship and Immigration Services (USCIS) and the battery has substantial connection to the need for benefits.

These provisions do not apply if the battered alien lives with the batterer. If the battered alien does live with the batterer and is a sponsored alien, the sponsor's income and resources will be deemed.

1621.7.2 Indigent Aliens

SNAP Manual 02/01/20

A sponsored alien is classified as an indigent alien if the sum of the sponsored alien's own income, the cash contributions of the sponsor and others, and the value of any in-kind assistance from the sponsor and others does not exceed the gross income limit for the alien's household size. See the current SNAP Basis of Issuance Tables for the gross income limit for the appropriate household size.

The eligibility worker must determine the amount of income and other assistance provided in the month of application. If the alien is indigent, the only amount that is to be deemed to the alien will be the amount actually provided by the sponsor to the alien. This limited deeming procedure will begin on the date of this determination and will end 12 months after the date of determination. Each indigence determination will be renewable for an additional 12-month periods.

The county office must notify by memorandum the Office of Program Planning and Development, Supplemental Nutrition Assistance Program (SNAP) Section, Slot S335, of each such determination, including the names of the sponsor and the sponsored non-citizen involved.

1621.7.3 Battered Aliens

SNAP Manual 06/01/01

A battered alien is:

> *An alien who has been battered or subjected to extreme cruelty in the United States by a spouse or a parent or a member of the spouse's or parent's family residing in the same household as the alien at the time of the abuse, an alien whose child has been battered or subjected to battery or cruelty, or an alien child whose parent has been battered.*

The sponsor's income and resources will not be deemed to battered aliens for 12 months after the county office worker determines that the battering is substantially connected to the

household's need for SNAP benefits and that the alien does not live with the batterer. After 12 months, the sponsor's income and resources will not be deemed to the battered alien if:

- The battery is recognized by a court or the INS;
- The battery has a substantial connection to the need for benefits; and
- The alien does not live with the batterer.

1621.7.4 Deeming the Sponsor's Income

SNAP Manual 02/01/20

Deeming procedures are used to determine the amount of the sponsor's resources and income to be used in the SNAP budget of the sponsored alien's household. Deemed income and resources will continue to be used in the household's budget for the entire deeming period. The deeming period is three years from the alien's date of entry into the United States.

1621.7.5 Changes in Sponsors

SNAP Manual 02/01/20

If the alien changes sponsors during the certification period, he or she must report the change to the county office within ten (10) days and verify the following information regarding the new sponsor:

a. Name, address, and telephone number; and
b. Resources and income.

Within ten (10) days of the report, the alien's eligibility will be re-determined based upon the new sponsor's income and resources. If the action adversely affects the alien, a notice of adverse action must be issued at least ten (10) days before the effective date of action.

1621.7.6 Reporting Changes in Sponsor's Income

SNAP Manual 10/01/03

The sponsored alien must report to the county office the following changes in the sponsor's income within ten (10) days of the day the change becomes known:

- Change in employment.
- Loss of employment.
- Acceptance of new employment.

Semi-annual reporting households may report these changes on the first semi-annual report submitted after the change.

The deemed income must be recalculated to reflect these changes. If the reported change results in a decrease in benefits or case closure, a notice of adverse action must be issued. Verification of reported changes in the sponsor's income or spouse's income is required.

1621.7.7 Verification from the Sponsor

SNAP Manual 02/01/20

During the period that the alien is subject to deeming, the eligible sponsored alien is responsible for:

- Ensuring the cooperation of the sponsor.
- Providing to the DHS county office at the time of application and at the time of recertification with the information necessary to deem the sponsor's income and resources.
- Providing the names of the other aliens sponsored by the alien's sponsor. (*Other identifying information may also be requested if needed. If the information needed to identify other sponsored alien is not provided, all of the sponsor's income and resources will be deemed to the alien as instructed in* SNAP 1621.7.4.)

If the sponsored alien refuses to cooperate in providing information or verification, other adult members of the alien's household are responsible for providing such information or verification. If the other adult members of the household also refuse to cooperate, the application will be denied.

When the sponsored alien is cooperating but cannot obtain the needed information from the sponsor, the county office worker must assist by attempting to obtain the needed verification from the sponsor. This may include contacting the sponsor directly to request such information.

If the worker cannot determine the sponsor's income or resources due to lack of information or verification, the sponsored alien is ineligible, and the deemed income and resources of the sponsor will not be counted in the budget. However, a pro rata share of the alien's income and resources will be counted in the household's SNAP budget. See SNAP 1621.6.

If later in the certification period the household presents the necessary verification, the household's SNAP budget will be recalculated adding the sponsor's deemed income and substituting the full amount of the alien's income for the prorated amount. A *Notice of Action* will be issued if the case will be closed or the SNAP benefits will be reduced.

These actions will be taken within ten days of the day the required verification was provided by the alien.

If the ineligible alien is the only household member, the application will be denied. If the same sponsor is responsible for all the household members, the application will be denied.

1621.7.8 Notices

SNAP Manual 02/01/20

Approval and denial notices to households containing sponsored aliens must be issued manually. Such notices will contain, in addition to all mandatory information, the amount of the sponsor's income and resources that has been deemed to the alien.

When an application for a household containing a sponsored alien is approved, a letter will be sent to the sponsor. Any letter drafted by the county must contain all information contained in this sample:

Sample

The household of _____ has been certified for participation in the Supplemental Nutrition Assistance Program. Eligibility in the program is based upon financial information provided by you or your spouse.

Please be advised that you or your spouse may be held liable for repayment of any overpayment of benefits resulting from incorrect information that you furnished.

1621.7.9 Incorrect Sponsor Information

SNAP Manual 06/15/98

DCO will hold both the sponsor and the alien liable for incorrect information resulting in an overpayment claim, unless the sponsor can prove to be without fault, or the sponsor had good cause. If the sponsor can show good cause for the incorrect information, the claim will be filed against the alien or the alien's household. If the sponsor is found to be at fault, the claim will be filed against the party most likely to repay. If that cannot be determined, the worker will file a claim against both the sponsor and the alien. If fraud is suspected, the case will be referred to the Fraud Unit for investigation.

Sponsors against whom a claim has been filed are entitled to an administrative hearing. See SNAP 16310 for instructions on requesting a hearing.

1621.7.10 Sponsored Alien Reports/Reimbursement

SNAP Manual 02/01/20

Upon notification that a sponsored alien has received any benefit under any means-tested public benefit program, the appropriate agency shall request reimbursement by the sponsor in the amount of such assistance. For the purpose of this provision, the Supplemental Nutrition Assistance Program is considered to be a means-tested public benefit program. In order to comply with this requirement, the county office must report, by memorandum, the name of any

participating sponsored alien and the name of the alien's sponsor to the Office of Program Planning and Development, Supplemental Nutrition Assistance Program (SNAP) Section, Slot 1240.

Additionally, the State must report to the Attorney General any sponsored non-citizens found to be indigent under the provisions in SNAP 1621.7. Therefore, if the alien has been found indigent, this information should be included on the memorandum to the Supplemental Nutrition Assistance Program (SNAP) Section.

1622 Determining Eligibility of Students

SNAP Manual 02/01/20

In the Supplemental Nutrition Assistance Program, a household member who is enrolled in an institution of higher education or an institution of post-secondary education is considered to be a student. Some students are eligible to participate in the Supplemental Nutrition Assistance Program and others are not.

The following students may participate in the Supplemental Nutrition Assistance Program if otherwise eligible.

- People attending high school or high school equivalency courses.
- People enrolled part time or full time in recognized schools or training programs that are not institutions of higher education.
- People participating in an on-the-job training program. A person is only considered to be participating in on-the-job training during the period he or she is being trained by the employer. During the period the person is attending classes, he or she would have to be otherwise classified as an eligible student to participate in the Supplemental Nutrition Assistance Program.

The following students may participate in the Supplemental Nutrition Assistance Program if otherwise eligible even if they are attending institutions of higher education.

- People aged 17 or younger
- People aged 50 or older
- People who are physically or mentally disabled as defined in the Glossary, under "Aged/Disabled", or as verified by a statement from a physician or other health professional, or whose educational expenses are partially or fully covered by funds from Rehabilitative Services

Other students who attend institutions of higher education may participate in the Supplemental Nutrition Assistance Program only if they meet at least one of the criteria in SNAP 1622.2 and are otherwise eligible.

Students who are not eligible to participate in the Supplemental Nutrition Assistance Program are excluded as household members. The rest of the student's household may participate in the Program if otherwise eligible. See SNAP 1622.9. If a household is composed solely of ineligible students, the application will be denied, or the case will be closed. SNAP 11300 contains general instructions for closing cases and providing notices. SNAP 3290 explains work registration for eligible students.

1622.1 Educational Institution

SNAP Manual 02/01/97

An institution of post-secondary education is any public or private educational institution that admits persons who are beyond the age of compulsory school attendance. The age of compulsory school attendance is set by the state in which the institution is located. Such institutions must be legally authorized or recognized by the state of location or must provide a program of training which prepares students for gainful employment.

A student is considered to be enrolled in an institution of higher education if he or she is enrolled in a regular curriculum at a college or university that offers degree programs regardless of whether a diploma is required. A college includes a junior, community, two-year, or four-year college or a university. A person who is attending a business, technical, trade or vocational school that normally requires a high school diploma or equivalency certificate for enrollment in the curriculum is also enrolled in an institution of higher education.

Business, trade, and vocational schools are considered institutions of higher education if they normally require a high school diploma or equivalency certificate for enrollment. In some of these schools, individuals may choose among several more courses that provide practical skills. Some of these courses do require a diploma or the equivalent to enroll while others do not. Those enrolled in a curriculum for which a diploma is required are considered to be enrolled in an institution of higher education.

"Normally requires" means a person is required to have a high school diploma or equivalency certificate, but if the person does not have either, he may be enrolled by passing a special entrance examination. If a high school diploma or equivalency certificate is only required prior to completion of course work, as opposed to required for enrollment, students are not considered to be attending an institution of higher education. In addition, programs designed to help a person pass the General Education Diploma (GED) test do not qualify the person as attending an institution of higher education.

Enrollment in an educational institution begins with the first day of the school term. This is the day that classes actually begin. Enrollment will be considered to continue through normal periods of class attendance and also through periods of vacation and recess. Enrollment ends when the individual graduates, is expelled, withdraws from school, or states that he does not intend to register for the next normal school term, excluding summer school.

When it is necessary to determine half-time enrollment (see SNAP 1622.2), half-time enrollment will be defined by the educational institution where the student is enrolled.

1622.2 Applying the Student Criteria

SNAP Manual 02/01/20

Household members that are enrolled at least half time in an institution of higher education and who are at least age 18 but no older than age 50 and who are physically and mentally fit must meet at least one of the criteria listed in this section. If not, these members will be considered ineligible students.

Criteria 1: Employment

The student must be employed at least an average of 20 hours per week (not less than 80 hours per month) at any rate of pay and be paid for such employment. If self-employed, the student must actually work at least an average of 20 hours per week and must receive weekly earnings at least equal to the Federal minimum wage multiplied by 20 hours.

Criteria 2: Work Study

The student must be approved to participate in a state or federally financed work-study program.

The student must be approved for the work study program at the time of application even though he or she may not actually be working at that time. A student who is approved for work study at the time of application and anticipates starting a job later in the school year is an eligible student.

Eligible student status will begin the month in which the school term begins, or the month work study is approved, whichever is later. Once begun, the student's status as an eligible student continues until the end of the month in which the school term ends, or it becomes known the student has refused an assignment. A student who has stopped working during the school year because the work study funding has run out would continue to be classified as an eligible student.

Eligible student status will also be granted to full time students participating in the work incentive program under Title IV of the Social Security Act or its Successors.

Criteria 3: Students with a Child under Age Six

The student must be responsible for the care of a dependent household member under the age of six. If there are two parents enrolled in school, the individual who provides the majority of the actual care of the child will be considered the eligible student.

If neither parent provides the majority of the actual care of the child, the eligible student will be the parent who provides the majority of financial support to the child. If neither majority of actual care nor majority of financial support can be determined, the household may choose the parent to be classified as an eligible student.

Criteria 4: Students With - Child Aged Six or Over but Less Than Age 12

Eligible student status will be granted to any student who is responsible for the care of a child above the age of 5 but under age 12 when adequate childcare is not available to enable the student to attend class and also to work at least 20 hours per week or to participate in a state or federal work study program. A household's statements about the availability of childcare will be accepted.

Eligible student status will be granted to any full-time student enrolled in an institution of higher education if that student is single with the responsibility for the care of a dependent child under age 12 regardless of the availability of adequate child care. For the purpose of this provision, a single parent will be an unmarried or divorced parent of a child under age 12. This provision applies where only one natural, adoptive or stepparent, regardless of marital status, is in the same SNAP household as the child. For example, if one natural parent and a stepparent are living with the child, neither the natural parent nor the stepparent could qualify for the student exemption. A full-time student who is not living with a spouse may claim the single parent exemption if he or she has parental control of a child and no parent (natural, adoptive or step) lives with that child.

Criteria 5: Receiving TEA Benefits

The student must be receiving a TEA Benefit authorized by the Agency.

Criteria 6: Workforce Investment Opportunities Act (WIOA)
(The Jobs Partnership Training Act (JPTA) was replaced by the WIOA.)

Eligible student status will be granted to students assigned to or placed in an institution of higher education through or in compliance with the following:

- A program under the Workforce Investment Opportunities Act (WIOA)
- An Employment and Training (E&T) Program under the Food Stamp Act,
- A program under the Section 236 of the Trade Act of 1974, (the Trade Adjustment Assistance Program administered by ESD)

- A program operated by a state of local government for the purpose of employment and training as determined to be appropriate by FNC.

1622.3 Educational Income

SNAP Manual 01/01/03

Educational income is financial assistance received by students from sources such as, but not limited to, the following sources.

- Programs authorized under title IV of the Higher Education Act.
- Programs authorized under the bureau of Indian Affairs (BIA) Student Assistance Programs.
- Programs authorized under the Carl D. Perkins Vocational Education Act.
- Workforce Investment Act (WIA)
- Scholarships or other grants funded through private and publicly funded education programs.
- VA educational assistance paid through the Montgomery GI Bill.

Educational income awarded to a person enrolled at a recognized institution of post-secondary education, a school for the handicapped, a vocational education program, or a GED program is excluded as income in the Supplemental Nutrition Assistance Program.

1622.9 Ineligible Students

SNAP Manual 02/01/20

When an individual is determined to be an ineligible student, that individual may not participate in the Supplemental Nutrition Assistance Program. Other members of the student's household may participate if they are otherwise eligible.

If the ineligible student is the only household member, the Supplemental Nutrition Assistance Program (SNAP) application will be denied.

If other household members are eligible, the student will be included when calculating total household members but will not be included when calculating total eligible members.

The ineligible student's resources (except for jointly owned resources) will not be considered available to the eligible household members. Resources owned jointly by ineligible students and eligible household members are considered available to the household in their entirety. See SNAP 4910.

1622.10 Fleeing Felons

SNAP Manual 10/01/08

A fleeing felon is an individual who is avoiding prosecution or custody for a crime, or an attempt to commit a crime that is classified as a felony. This provision also applies to individuals who are violating a condition of probation or parole under a Federal or State law. Fleeing felon status is usually determined by the existence of a warrant, and the individual is assumed to be fleeing as of the date the warrant is issued.

If law enforcement is not actively seeking to apprehend the individual in Arkansas, an individual assumed to be fleeing due to the existence of a warrant is eligible to participate in the Supplemental Nutrition Assistance Program. Identification as a fleeing felon based on SOLQ or from a source other than the law enforcement agency the individual is fleeing from is not considered verified upon receipt. The county office must contact the appropriate law enforcement agency for verification of fleeing felon status. If contact cannot be made with law enforcement officials, the individual will retain eligibility to participate in the Supplemental Nutrition Assistance Program. The county office worker must document each attempt to contact law enforcement officials.

Fleeing felons and probation/parole violators are ineligible to participate in the Supplemental Nutrition Assistance Program during any period while the individual is fleeing to avoid prosecution or custody. The presence of a fleeing felon or probation/parole violator will not make the entire household ineligible. Anyone identified as a fleeing felon, or a probation/parole violator will be treated as an ineligible household member and his or her income and resources will continue to be shown in the SNAP budget. See SNAP 1623.2 for instructions.

1622.20 Disqualification for Certain Drug Manufacture or Distribution Felonies

SNAP Manual 02/01/18

DELETED 02/01/18

1623 Determining if a Household Member is to be Disqualified

SNAP Manual 02/01/18

The worker must determine if any household member is ineligible or is to be disqualified from participation in the Supplemental Nutrition Assistance Program for:

- Failing or refusing to provide a Social Security number (SNAP 2200)
- Failing to comply with the Supplemental Nutrition Assistance Program Requirement to Work (SNAP 3520-3530)
- Being found guilty of committing an intentional program violation (IPV)(SNAP 16600)
- Failing or refusing to comply with a Workfare Program requirement (SNAP 3760)

- Being classified as a fleeing felon (SNAP 1610)
- Failure to cooperate with the Office of Child Support Enforcement (SNAP 1623.3)

1623.1 Disqualification for SSN and RTW Noncompliance

SNAP Manual 02/01/20

SNAP 3500 explains compliance with the Supplemental Nutrition Assistance Program Requirement to Work (RTW). Individuals who fail to comply with this requirement are disqualified unless they qualify for a personal exemption as explained in SNAP 3530.

See SNAP 2100 for an explanation of the Social Security number requirements and disqualification of household members who fail to comply with these requirements. Members who fail to comply with these requirements remain disqualified until they do comply.

1623.2 Disqualification for IPV, Work Registration, and Fleeing Felons

SNAP Manual 02/01/20

See SNAP 12110 for instructions on handling TEA or SSI case closures, suspensions, or reductions in TEA or SSI benefits when a household member intentionally failed to comply with a requirement of that program.

SNAP 1622.10 explains which household members are considered to be fleeing felons.

SNAP 3100 summarizes the work registration requirements. (This includes the Workfare Program requirements.) Individuals who fail or refuse to cooperate with the work registration requirements will be disqualified. (Work registration requirements do include Workfare Program requirements. It does not include E&T Program requirements because participation in the E&T Program is voluntary.)

SNAP 16800 covers the procedure for disqualifying a member who has committed an intentional program violation (IPV). An IPV disqualification may only be imposed after an administrative disqualification hearing, as the result of a decision of fraud by a court of law, or when the household signs a waiver.

SNAP benefits must not increase when one or more members are excluded due to:

- Classification as a fleeing felon as explained in SNAP 1622.10.
- Disqualification for a work registration violation as defined in SNAP 3401.
- Disqualification for failure or refusal to comply with a Workfare Program requirement as explained in SNAP 3760.
- Disqualification for an intentional program violation as explained in SNAP 16800.

1623.3 Disqualification for Non-Cooperation with OCSE (Office of Child Support Enforcement)

SNAP Manual 03/27/23

Under state and federal law, cooperation with the Office of Child Support Enforcement (OCSE) is a condition of eligibility for SNAP benefits. Applicants for SNAP must cooperate with OCSE, unless it is determined that good cause for non-cooperation exists.

Any parent (custodial, teen, or non-custodial) who states a refusal to cooperate with the OCSE requirement, will not be eligible to participate in the Supplemental Nutrition Assistance Program. Custodial and non-custodial parents will be disqualified according to SNAP 1623.3.4, if there are other eligible household members.

A Certified Eligibility Specialist may disqualify a custodial parent or non-custodial parent, or both, of a child under eighteen (18) years of age, if the individual does not cooperate with the OCSE as described below:
Custodial Parents may be disqualified from receiving SNAP benefits if they fail to cooperate with the OCSE in establishing paternity of the child (if the child is born out of wedlock) and obtaining support for the child. The Agency must determine if the individual has good cause for the individual's refusal to cooperate, by taking into consideration circumstances in which cooperation may be against the best interest of the child.

Non-Custodial Parents may be disqualified from receiving SNAP benefits if the determined *putative* or identified *noncustodial parent* refuses to cooperate in establishing paternity of a child (if the child is born out of wedlock) and is not providing support for the child. If OCSE determines that the non-custodial parent is not cooperating in good faith, the Agency will determine whether non-cooperation constitutes a refusal or unwillingness to cooperate as opposed to an inability to cooperate. *Noncustodial parents* determined to have refused to cooperate are ineligible, and the Agency does not have the ability to establish good cause. If the Agency determines that the non-custodial parent has refused to cooperate, then that individual shall be ineligible to participate.

1623.3.1 Child Support Cooperation Requirements

SNAP Manual 03/27/23

Cooperation with the OCSE by a **parent i**s required when:

- The parent is applying for or receiving SNAP benefits,
- Paternity has not been established and the alleged father is not in the home,
- One (1) or both parents are absent from the home, or
- Good cause for non-cooperation does not exist as determined by the Agency.

Custodial Parent cooperation includes the following:

- Providing complete information required to obtain child support (if information about the non-custodial parent is known by the individual but is withheld, the individual may face a possible penalty of perjury.
- Completing and signing affidavits attesting to paternity of the child; and
- Making court appearances and providing testimony in paternity hearings and support actions.

If both a legal and putative father exists, or the responsibility for support is not clear, the parent must provide the information on both the legal and putative father.

Pregnant women who are receiving SNAP benefits for themselves and other dependent children are required to cooperate with the OCSE unless they have good cause reasons not to cooperate.

Non-custodial Parent cooperation with the OCSE requires:

- Assisting the OCSE with establishing parentage
- Providing verification of income for new court orders, modifying existing orders
- Paying arrearages if there is an obligation that exists.

1623.3.2 Good Cause for Failure to Cooperate

SNAP Manual 02/01/20

Cooperation in establishing paternity or securing support may be contrary to the best interest of the family. In those situations, a custodial or non-custodial parent may have good cause for not cooperating.

The State Agency will determine good cause.

Good cause exists when cooperating with the State Child Support Agency would make it more difficult for the individual to escape domestic violence or unfairly penalize the individual who is or has been victimized by such violence, or the individual who is at risk of further domestic violence.

For purposes of this provision, the term “domestic violence” means the individual or child would be subject to physical acts that result in, or are threatened to result in, physical injury to the individual; sexual abuse; sexual activity involving a dependent child; being force as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities; threats of, or attempts at physical or sexual abuse; mental abuse; or neglect or deprivation of medical care.

The preceding is not meant to be an exhaustive list of "good cause" claims. Other claims of good cause shall also be considered by the State Agency.

Good cause claims must be corroborated with documentary evidence. Examples of corroborative evidence include, but are not limited to, police reports, court papers, medical records, other written documentation, and photos.

The State agency will make a good cause determination based on the corroborative evidence supplied by the individual only after it has examined the evidence and found that it verifies the good cause claim.

1623.3.3 Failure to Cooperate

SNAP Manual 03/27/23

When the **parent**, including a **teen parent,** refuse to provide information regarding the non-custodial parent of a child under the age of eighteen (18) years of age, residing in the home during the application or eligibility review, the eligibility worker must review child support cooperation requirements for the individual. If, at application, the parent declares a refusal to cooperate, the parent is ineligible to participate in SNAP. Refusal to cooperate at application results in application denial or removal from the SNAP case.

When the **non-custodial parent** refuses to provide information regarding establishing the paternity or providing support, the eligibility worker must review child support cooperation requirements for that individual.

Note: A Pregnant woman with no other deprived children is not subject to child support cooperation until the child's birth.

When the parent, teen parent, or non-custodial parent has not cooperated per OCSE, the eligibility worker can deny SNAP benefits for the individual (adult or teen parent) subject to the child support cooperation if they do not express an intent to claim good cause or the intent to cooperate with the agency and authorize benefits for the other household members, if eligible.

1623.3.4 Disqualification for Failure to Cooperate

SNAP Manual 03/27/23

For households with an absent parent, the county office will disqualify a custodial parent from receiving SNAP benefits if they fail to cooperate with the OCSE and are unable to demonstrate good cause for failure to cooperate. For individuals subject to the requirement, cooperation includes opening a case against the absent parent, working with the OCSE to determine parentage (if necessary), and establishing, modifying, or enforcing an order.

When the custodial parent does not cooperate, a 10-day notice of adverse action will be sent informing them of their removal from the SNAP case for non-cooperation. The custodial parent will be removed from the SNAP case once the 10- day notice of adverse action has expired. If other eligible household members are in the SNAP case, only the custodial parent will be removed from the SNAP budget. The income, expenses and resources of the sanctioned individual will still be used for SNAP budgeting purposes.

For a non-custodial parent, the county office will disqualify a non-custodial parent from receiving SNAP benefits if they are determined to be refusing to cooperate with OCSE in establishing paternity (if necessary) or providing support. When the non-custodial parent does not cooperate, a 10-day notice of adverse action will be sent informing them of their removal from the SNAP case for non-cooperation. The non-custodial parent will be removed from the SNAP case once the 10- day notice of adverse action has expired. After a 10-day notice of adverse expires, the SNAP case will close unless the SNAP household contains other eligible household members. Only the non-custodial parent who is not complying will be removed. The income, expenses, and resources of the sanctioned individual will still be used for SNAP budgeting purposes.

To disqualify a member for failure to comply with the child support requirements:

1. Include the resources of the ineligible member in their entirety.
2. Calculate a pro rate share of any income received by the disqualified member. To calculate a pro rata share:
   - Subtract allowable exclusions (See SNAP 5400).
   - Divide the remaining income evenly among the total household members including the disqualified member.
   - Multiply the pro rata share by the number of eligible members.
   - Count the resulting figure as income.
3. Apply the earned income deduction after the prorated earned income of the disqualified member has been determined and added to the household budget.
4. When the disqualified member does not incur any portion of an allowable expense, do not prorate the expense. Prorate any allowable shelter, child support payments, or dependent care expense paid totally or in part by the disqualified individual. To prorate, divide the expense evenly among all household members including the disqualified member. Multiply the pro rata shares by the number of eligible members. Count the resulting figure as an allowable expense. If the household has elected to use the utility standard (see SNAP 6620), do not prorate the utility standard.
5. Do not allow uncapped shelter costs if the disqualified member is the only aged/disabled individual in the household. Do not allow medical expenses incurred by a disqualified aged or disabled member. See the Glossary for a definition of individuals in an aged/disabled household.
6. For households still entitled to uncapped shelter costs after an individual has been

disqualified, prorate the expenses as explained above. Allow the uncapped amount of the prorated expenses as instructed in SNAP 7610.

7. Do not include the disqualified member when determining income, eligibility, or SNAP benefit amount.

1623.3.5 Ending Disqualifications

SNAP Manual 02/01/20

For the custodial parent, teen parent and non-custodial parent:

Eligibility staff must:

1. Remove the sanction when the Office of Child Support Enforcement has notified the county office that the individual complied.
2. Add the individual back into the SNAP budget (Must meet all other eligibility factors).
3. Not require an application unless the entire SNAP household is closed.

Remove OCSE imposed sanctions for non-cooperation with OCSE approval for the following:

1. When the last child subject to cooperation leaves the home.
2. When the last child subject to cooperation turns eighteen (18).
3. When the absent parent, based on established legal paternity, moves into the home.
4. When a non-custodial parent moves into the home and completes a form acknowledging paternity and county staff forwards the form to OCSE or to Vital Records.

Note: The effective date for adding the sanctioned individual is the first month following the date of compliance.

1624 Determining if a Household Member is a Boarder

SNAP Manual 02/01/20

Boarders may not participate in the Supplemental Nutrition Assistance Program.

A boarder is defined as an individual or a group of individuals to whom a household furnishes lodging and meals for a reasonable monthly payment.

The following individuals may not be designated by a household as a boarder:

1. A spouse of a household member. See the Glossary for an explanation of a spouse.
2. Children aged 21 and younger who are under the parental control of a household member. See the Glossary for an explanation of parental control.

Boarders must make a reasonable monthly payment. (See SNAP 1624.1 for determination of a reasonable monthly payment.) If a boarder does not make a reasonable monthly payment, he or she will be included as a household member and all of his or her income and resources will be counted in the SNAP budget. When the boarder is considered a household member, the actual boarder payment will not be shown as income. If the individual does make a reasonable monthly payment, the payment will be considered self-employment income. See SNAP 5621 for procedures on handling income from boarders.

The SNAP household may elect to include boarders as household members. If a boarder is added to the SNAP household, all of the boarder's income and resources will be counted in the budget. The boarder payment will not be counted as income.

1624.1 Reasonable Monthly Payment

SNAP Manual 02/01/20

A reasonable monthly payment for a boarder is either of the following:

1. An amount which equals or exceeds the maximum SNAP benefit amount for the boarder's household size if the boarder's household normally consumes more than two meals per day in the SNAP household; or
2. An amount which equals or exceeds two-thirds of the maximum SNAP benefit amount for the boarder's household size if the boarder normally consumes two or less meals per day in the SNAP household.

All arrangements for the monthly boarder payment to the SNAP household will be made between the boarder household and the SNAP household.

1624.2 Boarding Houses

SNAP Manual 10/01/97

Residents of commercial boarding houses may not participate in the Supplemental Nutrition Assistance Program. For Program purposes, a commercial boarding house is an establishment that offers meals and lodging for compensation for the purpose of making a profit. The statement of the proprietor or owner will be sufficient to determine whether the establishment fits this definition. The number of boarders residing in such an establishment will not be a consideration. The household of the proprietor of a boarding house will be allowed to participate in the Supplemental Nutrition Assistance Program if that household meets all of the eligibility requirements. See SNAP 5620 for instructions on determining income from boarding houses.

1624.3 Verification

SNAP Manual 10/01/97

Income from boarders is considered self-employment income and must be verified. Normally, a note from each boarder household will be requested. The note must specify the amount the boarder household pays for room and board. If the amount of payment for room is distinguishable from the payment for meals, the note must specify the amount of each payment. The number of meals the boarder household eats per day must also appear in the note. The note must be dated and must contain the signature of a responsible member of the boarder household.

1630 Determining if the Declared Household Composition is Correct

SNAP Manual 02/01/20

Normally, a SNAP household is composed of an individual or a group of individuals. A description of several common household types appear below:

1. A household may be an individual who lives alone.
2. A household may be an individual who lives with others and customarily (more than 50% of the time) purchases food and prepares meals for home consumption separate and apart from the others. (See the restrictions in SNAP 1631.)
3. A household may be a group of individuals who live together and customarily purchase food and prepare meals together. This includes individuals whose work schedules allow them to be in the home only for short periods of time but who consider the home their primary residence and who are responsible household members. A responsible household member is a member such as a spouse who helps the household meet part or all of its expenses. Traveling salespeople, truck drivers, railroad employees, and offshore oil workers meet this condition even if these workers do not return to the

home each night or on a regular weekly or biweekly basis. While these individuals may be out of the home a majority of the time, they are considered household members. The work schedule and not the profession will establish these individuals as household members. (There may be two or more groups of individuals who live in the same dwelling but participate in the program as separate households. There are restrictions to participation as a separate household. See SNAP 1631 below for those restrictions.)

4. A household may be a disabled, aged individual (age 60 or older) who is living with others but is unable to purchase and prepare meals due to a permanent disability such as, but not limited to, senility. This type of household may include the disabled individual and his or her spouse regardless of the physical condition or age of the spouse. All income of the individual and spouse will be counted in the SNAP budget. The income of all other members will be disregarded; however, the total gross non-excludable income of all other household members may not exceed 165% of the maximum income standard. If the income of all other household members exceeds 165% of the maximum net income standard, the disabled aged member's application for SNAP benefits will be denied.

1631 Restrictions to Participation as a Separate Household

SNAP Manual 10/01/97

An individual or a group of individuals may apply for SNAP benefits as a household separate and apart from the others with whom they share a dwelling. There are restrictions to such participation.

First, separate household status will not be granted under any circumstances to the spouse of a household member.

Second, the individual or group of individuals applying as a separate household must:

a. Customarily (more than 50% of the time) purchase food and prepare meals separately from the others with whom they live; or
b. Plan to purchase food and prepare meals separately when they receive their SNAP benefits if they currently lack the financial means to do so. (When a household states that they plan to begin purchasing food and preparing their meals separately, a written statement to this effect should be obtained from the household and placed in the case record as substantiation.)

1631.1 Relatives Participating as Separate Households

SNAP Manual 10/01/97

Unrelated or distantly related individuals (e.g. - friends, aunts, uncles, nieces, nephews or cousins) may participate as separate households as long as one of the individuals is not under

the parental control of the other and the individuals do purchase their food and prepare their meals separately.

Children under the age of 22 who live with a natural, adoptive or stepparent must be included in the same household as the parent. This rule applies even if the child is married or has children.

Children age 17 or younger, other than foster children, who are under the parental control of an individual other than a natural, adoptive or stepparent must be included as a member of that individual's household. This rule applies even if the child purchases and prepares his or her food separately. Children age 17 and younger who do not live with a parent or someone who acts as a parent may receive SNAP benefits in their own home.

Adult children age 22 and older who live with a natural, adoptive or stepparent can be a separate household if they purchase and prepare food separately. The adult child, their spouse or children (if any) must be certified as one household.

Siblings age 18 or older who live together without a parent can be separate households if they purchase and prepare food separately. If one sibling is age 18 or older and the other sibling is age 17 or younger, the siblings cannot be certified as separate households unless the younger sibling is emancipated. If either sibling has a spouse or children, the spouse or children must be included in the household.

See SNAP 1640 for instructions on foster children.

See SNAP 1630 for instructions on aged/disabled individuals who wish to participate as separate households.

1632.1 Separate Dwelling Claims

SNAP Manual 02/01/20

At times, parents and children who are not allowed to participate in the Supplemental Nutrition Assistance Program as separate households claim they live in separate dwellings that are closely situated or under the same roof. Each of these claims must be evaluated on a case-by-case basis.

If both households share common facilities such as the kitchen and living area, this is a good indication that the group should be certified as one (1) household. However, if each household lives in a separate structure, or has separate facilities within the same structure (i.e., an apartment or a duplex), then the households may be certified as separate households.

Such determinations may require collateral contacts with landlords or utility companies. A home visit may be indicated if collateral contacts are not available. See the Glossary definition of "Verification" for information on home visits as part of the application process.

1633 Verification of Separate Household Status

SNAP Manual 10/01/97

Individuals who wish to participate in the Supplemental Nutrition Assistance Program in a household separate from others with whom they live are responsible for establishing that they are a separate household. The worker may require collateral contacts or a home visit if the household's claim is questionable.

Aged individuals who cannot purchase and prepare their own meals due to a disability (SNAP 1630) must verify the income of the other people with whom they live. Also, the individual must provide verification from a physician or a licensed or certified psychologist that he or she is not able to purchase and prepare their own meals if the disability is not obvious. Disabilities considered obvious must be fully documented in the case record.

1640 Foster Care

SNAP Manual 12/01/00

A child or an adult placed in a foster care facility by a Federal, State or local governmental foster care program cannot be required to be considered a member of a SNAP household. The household that provides the foster care may elect to consider the person in foster care to be a boarder or to include the person as a household member. See SNAP 5708 for additional information.

If the person in foster care is to be considered a boarder, the foster care payment will be excluded entirely. If the person is to be considered a household member, the entire payment will be counted as income.

This policy does not extend to adults placed in foster care either through for-profit or non-profit private agencies. The existing policies in SNAP 1624 or SNAP 1630 will apply to these individuals.

Children "taken in" by neighbors, friends or relatives without formal placement by a governmental agency will be considered household members if they meet other eligibility requirements.

1700 The Effect of Striking Members on Households

SNAP Manual 04/01/92

A strike is a concerted stoppage of work by employees. This includes stoppages caused by the expiration of a collective bargaining agreement. Strikes also include concerted slowdowns and the interruption of operations by employees. Households with striking members are not sanctioned. Nor are the striking members disqualified. However, there are special provisions that apply to these households. These provisions are listed below:

1. Households with striking members are not eligible for Supplemental Nutrition Assistance Program (SNAP) benefits unless they were eligible based upon the household's income as of the day before the strike began or they were participating in the Supplemental Nutrition Assistance Program the day before the strike began.
2. Households with striking members who are currently participating in the Supplemental Nutrition Assistance Program will not receive an increase in SNAP benefits as a result of the decrease in the income of striking members.
3. Strikers in eligible households who were exempt from work registration requirements the day prior to the strike solely due to employment must comply fully with all work registration requirements (including the E&T Program and Workfare) while on strike.

1710 Striker Status

SNAP Manual 04/01/92

Certain individuals are not considered strikers even though the plant or company where they are employed is the subject of a strike or walkout. These individuals are:

1. Employees whose workplace is closed by an employer in order to resist demands of the employees (e.g. - a lockout);
2. Employees who are unable to work as a result of striking employees - e.g. striking newspaper printers prevent the printing of the newspaper and consequently truck drivers cannot work because there are no newspapers to deliver;
3. Employees who are not part of the bargaining unit (union) but who do not want to cross the picket line because of fear of personal injury or death; and
4. Employees who were exempt from the work registration requirements the day prior to the strike for any reason other than employment.

1730 Determining Eligibility Based Upon Income

SNAP Manual 02/01/20

When a household with a striking member applies for SNAP benefits, the household's pre-strike income eligibility will be determined first. If the household's income was within the applicable

gross and net limits as of the day before the strike, the household's current eligibility will be determined. A description of this process follows:

Step 1: Determine the household's pre-strike income eligibility by considering the day before the strike as the date of application and assuming the strike did not occur. All allowable deductions will be applied when determining net income. If the household was ineligible as of the day before the strike, the SNAP application will be denied. If the household was eligible as of the day before the strike, go to step 2 below.

Step 2: Determine the household's current eligibility by comparing the striking member's current income to his or her income as of the day before the strike. Add the higher of these two amounts to the current income of all non-striking household members. Allow all applicable deductions such as the earned income deduction. The household must meet the gross and (if applicable) net income limits for the appropriate household size.

1740 Verification/Documentation

SNAP Manual 12/01/98

The county office worker must verify and document the income of all household members from all sources. Both the pre-strike and current income of striking members must be verified.

All income (pre-strike and current) must be documented in sufficient detail to determine if the correct income was used in the budget. All calculations pertaining to pre-strike and (if applicable) current eligibility must appear and must be adequately labeled.

1800 Institutions

SNAP Manual 01/01/07

In the Supplemental Nutrition Assistance Program, an institution is an established organization that offers meals and lodging as a part of normal operation. Examples of institutions are schools and colleges with dormitories, prisons, and rehabilitation and treatment centers (including certain mental health centers), group living arrangements, shelters for the homeless, shelters for battered women, extended care hospitals and nursing homes.

An individual is a resident of an institution when an institution provides an individual with the majority (over 50% of three meals daily) of his or her meals as part of the institution's normal services.

Residents of institutions are not eligible to participate in the Supplemental Nutrition Assistance Program except as listed below:

1. Residents of federally subsidized housing for the elderly.
2. Narcotic addicts or alcoholics who reside at a facility, treatment center or certain mental health centers for the purpose of regular participation in a drug or alcoholism treatment and rehabilitation program.
3. Disabled (as defined in the Glossary definition of Aged/Disabled Household) residents of group living arrangements.
4. Women or women with their children who are temporarily residing in a shelter for battered women and children.
5. Residents of shelters for the homeless.

Shelters for the homeless include the following:

a) Supervised shelters such as welfare hotels or congregate shelters
b) Halfway houses or similar institutions that provide temporary accommodations for individuals as an alternative to institutionalization

Generally, residents of institutions are certified under the provisions that apply to all other households. Such residents are also entitled to the same rights (notices of adverse action, administrative hearings, restoration of lost benefits, etc.) as other SNAP households.

1810 Residents of Federally Subsidized Housing for the Elderly

SNAP Manual 01/01/07

There are no special provisions for the certification of residents of federally subsidized housing for the elderly. Housing residents may use SNAP benefits to purchase delivered meals or communally prepared meals. A resident may also purchase food and prepare their own meals if meal preparation facilities are available.

1820 Residents of Drug Addiction or Alcoholism Treatment Centers

SNAP Manual 02/01/20

A treatment center is any such residential program conducted by a private non-profit organization or institution or a publicly operated community mental health center (under Part B of title XIX of the Public Service Act) to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.

In order for the residents of a drug addiction or alcoholism treatment center to be certified to receive SNAP benefits, the center must provide evidence that it is tax exempt and certified by the State agency responsible for the treatment and rehabilitation of drug addicts or alcoholics as:

- Receiving funding under part B of title XIX, **or**
- Eligible to receive funding under part B or title XIX if no funds are being received **or**
- Operating to further the purposes of part B or title XIX to provide treatment and rehabilitation of drug addicts or alcoholics.

Even if the treatment center does not meet one of these criteria but has been authorized by FNS as a retailer (can use the SNAP benefits to purchase food for residents), the residents may receive SNAP benefits.

See SNAP 981 for additional information.

Residents of treatment centers must apply and be certified for SNAP benefits through an authorized representative (AR) who is an employee of the treatment center. Each treatment center will designate in writing an employee to serve as an AR for SNAP purposes. The county will keep these designations on file and will update the files when a new AR is named by the center. If the center has multiple locations, each location must be reported to the DHS county office. Both the physical address and the mailing address of each location must be provided to the county office. (If the centers are located in different counties, this information should be provided to both DHS county offices.)

See SNAP 980 for the responsibilities of a treatment center serving as an AR.

1821 Processing Standards

SNAP Manual 12/01/98

All income and resources of treatment center residents must be reported, verified as mandated by policy, and counted when a SNAP budget is calculated. If a resident incurs a cost for a room at the center, the room cost may be allowed as a shelter cost. Medical costs are allowable as

specified in SNAP 6500 if the household is aged or disabled. (See the Glossary definition of an aged/disabled household.)

Each initial application submitted by the treatment center will be evaluated for eligibility as described in SNAP 8100.

Expedited applications will be processed under the standards in SNAP 9400.

Changes in household circumstances will be processed by the standards that apply to all other households. See SNAP 11100 for information on the reporting requirements. See SNAP 12100 for instructions on processing reported changes.

Applications for re-certifications submitted by resident households must be processed using the standards that apply to all other households. See SNAP 10600 when processing timely re-certifications and SNAP 10700 when processing untimely re-certifications.

1821.1 Residents Currently Receiving Benefits

SNAP Manual 02/01/20

When an authorized representative becomes aware that a treatment center resident was receiving SNAP benefits when he or she entered the center, the authorized representative (AR) must contact the DHS county office report that this individual is receiving SNAP benefits. (Even if the resident is currently receiving SNAP benefits through a DHS county office in another county, the AR should contact the local DHS county office.) This report may take place via telephone, in person, or through the use of a *Change Report*. The report should occur within 10 days of the date that the AR becomes aware the resident is currently receiving SNAP benefits.

The AR must ask the resident if he or she is currently included in a household with other members prior to accessing the account. Under no circumstances should a treatment center AR access more than a resident's monthly benefit amount as explained in SNAP 981.5. (The AR may contact the county to confirm the resident's monthly benefit amount.) However, if a resident is currently certified with other household members, the treatment center AR must not access the resident's SNAP benefits. To do so may cause a hardship on remaining household members.

If a resident state he or she is not included in a household with other members but there is a large balance on the account, the treatment center must contact the DHS county office to confirm the information provided by the resident.

1821.2 State Agency Actions

SNAP Manual 02/01/20

If the treatment center is located in the county where the resident receives SNAP benefits, the DHS county office will determine whether the treatment center resident is the only household

member. If the treatment center resident is the only household member, the SNAP case will be adjusted to reflect the household's current circumstances.

If the treatment center resident is certified to receive SNAP benefits in a county other than the county where the treatment center is located, the DHS county office where the center is located must notify the county where the resident is certified. If the resident is the only household member, the county office where the resident is certified must close the case and transfer it to the county where the center is located. Once the original case has been closed and transferred, any application submitted by the center may be processed.

If there are other household members, the worker will proceed as instructed in SNAP 12226, "Household Division." Once the original case has been closed and transferred or adjusted, any application submitted by the center for this resident may be processed.

1822 Household Composition

SNAP Manual 12/01/98

Normally, treatment center residents are one-person households. However, children who live with a parent in a treatment center may be included in the parent's SNAP case. Meals served to the children by the treatment center may be purchased with SNAP benefits.

1823 Work Registration

SNAP Manual 02/01/20

Treatment center residents undergoing treatment or rehabilitation for drug or alcohol abuse are not subject to the work registration requirements.

1824 Monthly Reports and On-Site Visits

SNAP Manual 02/01/20

Each treatment and rehabilitation center must maintain a *Daily Census Report*. A copy will be provided to the appropriate county office at the end of each month. Daily and monthly totals must be shown. If a treatment center has multiple locations, each location must maintain and submit Daily Census Reports.

County offices will make random on-site visits to each participating treatment and rehabilitation center located in that county. At least one such visit will be made each year. If a center has multiple locations, each site must be visited. The purpose of the visit will be to ensure the accuracy of the *Daily Census Report* by comparing it to the center's records. A *Record of On-Site Visit* will be used to document the on-site visit. The *Record of On-Site Visit* may be accessed via DHS SHARE.

1825 When Residents of Treatment Centers Leave

SNAP Manual 12/01/98

A center may no longer act as an AR for a resident after the resident leaves the treatment center. See SNAP 981.4 for specific procedures.

1830 Residents of Group Living Arrangements

SNAP Manual 02/01/20

A group living arrangement is a public or private nonprofit residential setting serving no more than sixteen residents that is authorized by Food and Nutrition Services as an authorized retail store or certified by Developmental Disabilities Service (DDS) as a residence for disabled individuals. To be eligible for SNAP benefits, a resident of a group living arrangement must be disabled as defined in the Glossary, items 2-15 under "Aged/Disabled Households".

A resident of a group living arrangements may apply and be certified as a one-person household through an authorized representative (AR) designated in writing by the group living arrangement. The resident may also apply and be certified on his or her own behalf if the group living arrangement has determined the resident is capable of handling the application process. Last, the resident may apply and be certified through an AR of his or her own choice as determined permissible by the group living arrangement.

An organization, institution, or group living arrangement that applies on behalf of each resident will receive and spend these SNAP benefits for food to be prepared by or served to the resident. An eligible resident may also be allowed to use all (or any portion) of the SNAP benefits on his or her own behalf.

A resident may use his or her SNAP benefits to purchase meals prepared by the facility and served either individually or communally; to purchase and prepare food for his or her own use; or to purchase meals prepared and served by members of the group living arrangement. If personalized meals are prepared and paid for with SNAP benefits, the group living arrangement must ensure that the resident's SNAP benefits are used for meals intended for that resident.

1831 Processing Standards

SNAP Manual 12/01/98

Processing standards for group living arrangements are the same as for Drug Addiction and Alcoholism Treatment Centers. See SNAP 1821 for an explanation of these standards.

1832 Household Composition

SNAP Manual 12/01/98

SNAP applications will be accepted for an individual applying as a one-person household or for any grouping of residents applying as a household. The household will make either through an AR or through direct application applications for groups of residents. (*Any group living residents who apply through the group living arrangement's AR must be certified as a one-person household*.)

1833 Work Registration

SNAP Manual 12/01/98

Residents of group living arrangements are not subject to work registration.

1834 When Residents of Group Living Arrangements Leave

SNAP Manual 12/01/98

A group living arrangement will no longer act as AR for a resident when the resident leaves the arrangement.

If the group living arrangement is acting as an AR for a resident when that resident leaves the facility, the group living arrangement will return the resident's EBT card to the resident. The resident, not the group living arrangement, will be entitled to any EBT benefits remaining in the account when the resident leaves.

If the resident leaves before the 16th day of the month, the resident is entitled to at least one-half the full monthly benefit amount. If the resident leaves after on or after the 16th day of the month and all the SNAP benefits have already been used on behalf of the resident, he or she will not be entitled to any additional benefits for the month.

1835 Reporting Changes

SNAP Manual 06/06/01

Any resident of a group living arrangements who has made application in his or her own behalf is responsible for reporting changes in his or her circumstances to the DHS county office. If the group living arrangement is acting in the capacity of an authorized representative, the responsible group living arrangement employee must notify the county office of changes in the household's income or other circumstances. This includes reporting if the resident leaves the group living arrangement.

1836 Monthly Reports and On-Site Visits

SNAP Manual 02/01/20

Each group living arrangement must maintain a *Daily Census Report*. A copy will be provided to the appropriate county office at the end of each month. Daily and monthly totals must be shown. If a treatment center has multiple locations, each location must maintain and submit Daily Census Reports.

County offices will make random, periodic on-site visits to each participating group living arrangement located in that county. If a center has multiple locations, each site must be visited. The purpose of the visit will be to ensure the accuracy of the Daily Census Report by comparing it to the center's records. A *Record of On-Site Visit* will be used to document the on-site visit. The *Record of On-Site Visit may* be accessed via DHS SHARE.

1840 Residents of Shelters for Battered Women and Children

SNAP Manual 12/01/98

Only residents of shelters for battered women and children that meet the following definition may participate in the Supplemental Nutrition Assistance Program:

DEFINITION: A public or private non-profit residential facility that serves battered women and their children. If such a facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women.

The name of the shelter must be documented in the case record.

Shelters having FNS authorization to redeem SNAP benefits at wholesale operations will be considered as having met this definition and no further determination will be necessary.

1841 Certifying Residents of Shelters for Battered Women and Children

SNAP Manual 12/01/98

The resident may elect to make application for SNAP benefits or to have an AR of their choice apply on their behalf. If a resident's children live with the resident in a shelter, the children must be included in her SNAP household.

A shelter resident will be certified based solely upon his or her current income and allowable expenses without regard to the income and expenses of the former household. Room payment incurred at the shelter will be considered a shelter expense.

Resources will be considered inaccessible to residents if the resources are jointly owned by the resident and members of the former household and the resident's access to the resources is dependent upon the agreement of the joint owner who still resides in the former household.

Shelter residents entitled to expedited service will be processed in accordance with the postponed verification procedures explained in SNAP 9441.1.

Shelter residents are subject to the work registration requirements unless otherwise exempt.

1841.1 Residents Who Have Already Participated in the Current Month

SNAP Manual 12/01/98

A resident of a shelter for battered women and children currently included in a SNAP household with the person who abused them may be allowed to apply for and (if determined eligible) receive additional SNAP benefits for the current month as a separate household.

Shelter residents may receive an additional issuance of benefits as a separate household only once a month.

In some instances, the shelter resident that applies for additional benefits was the head of the original household. In these instances, no additional benefits will be issued. Instead, the original EBT card will be voided, and a new EBT card and PIN will be issued as instructed in SNAP 14134.

1841.2 Action on Former Households

SNAP Manual 12/01/98

The worker must take prompt action to change the former household's SNAP benefit amount or to close the case if necessary. (The period of certification may not be shortened.) A notice of adverse action will be issued. The former household will be responsible for any over-issuance that occurs due to failure to timely report that the battered members have left the home.

See SNAP 12450 for information on case adjustments based on information made known to the Agency.

See SNAP 15400 for an explanation of handling over-issuances that occur due to changes that were reported untimely.

1850 Homeless Households

SNAP Manual 12/01/98

A homeless individual is an individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is one of the following:

1. A supervised shelter designed to provide temporary accommodation - e.g., a welfare hotel or a shelter for the homeless
2. A halfway house or a similar institution that provides temporary accommodations for individuals as an alternative to institutionalization
3. A temporary accommodation (lasting no longer than 90 days) in the residence of another individual
4. A place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. Examples are a hallway, a bus station, a lobby or similar places

Households composed entirely of homeless individuals are considered to be homeless households.

Homeless households, including residents of temporary shelters for the homeless, may be certified to receive SNAP benefits if otherwise eligible. This is true even if the shelter does not participate in the program as a homeless meal provider. Homeless households are subject to all eligibility factors. See the summary of non-financial eligibility requirements in SNAP 7200. See the summary of financial eligibility requirements in SNAP 7210. Homeless households have the same rights as any other household. See SNAP 1330 for the procedures for verifying residency for homeless households.

Eligible homeless households may use SNAP benefits in the same manner as any other eligible household. See SNAP 120. However, eligible homeless households may also use SNAP benefits, on a voluntary basis, to purchase prepared meals from authorized homeless meal providers.

1851 Authorized Homeless Meal Providers

SNAP Manual 02/01/20

A homeless meal provider is an establishment that has been authorized by the Food and Nutrition Service (FNS) to accept SNAP benefits in payment for meals. A public or private, non-profit establishment which feeds homeless individuals may submit an *Application for Homeless Meal Provider Status* to the DHS County Office in the county where the establishment is located. Approved applications will be forwarded by DHS to FNS for the necessary authorization to accept SNAP benefits in payment for meals. See SNAP 1852.

Homeless meal providers must abide by the following policies:

1. The meal provider must serve meals that include food purchased by the provider. Meal providers serving meals prepared wholly from donated foods will not be eligible for authorization.
2. Only homeless SNAP households will be permitted to use SNAP benefits to purchase meals prepared by the meal provider. The meal provider must establish the household's right to use SNAP benefits to purchase meals.
3. The use of SNAP benefits to purchase meals from the meal provider must be voluntary on the part of SNAP households.
4. SNAP households must continue to be given the option of using cash if the meal provider requires payment for a meal.
5. If others have the option of eating free or making a monetary donation, SNAP households must be given this same option - eat free or donate money or SNAP benefits.
6. The amount requested from SNAP households to purchase meals may not exceed the average cost of the food contained in a meal served by the meal provider. This refers to the direct cost of food used in preparation of meals. It does not include the value of food donated by USDA or private individuals or companies. Neither does it include the costs of transportation, storage or preparation of the food. Average costs will be determined by averaging allowable food costs over a period of up to one calendar month.
7. Meal providers will not be allowed to serve as authorized representatives. See SNAP 920.

1852 Disposition of Homeless Meal Provider Applications

SNAP Manual 02/01/20

Organizations interested in accepting SNAP benefits from the homeless in payment for prepared meals will be referred to the local county DHS office. The Program Eligibility Coordinator or designee will issue an *Application for Homeless Meal Provider Status* to the organization. The organization must complete this form and return it to the county office. After the form has been returned, the Program Eligibility Coordinator or a designee will visit the feeding site to determine that meals are being served to homeless households. A *Meal Provider Visit Record and Disposal* will be completed during the visit and routed according to the instructions on the form. Both the *Application for Homeless Meal Provider Status* and the *Meal Provider Visit Record and Disposal* are available on DHS-SHARE.

No organization will be authorized as a meal provider if:

1. The organization does not prepare and serve meals as part of normal service;

2. The organization serves meals prepared wholly from food donated by U.S.D.A., private companies or individuals; or
3. None of the clientele served by the organization can be classified as homeless as defined in the Glossary under the definition of a "Homeless Household."

Denials of authorized meal provider status will be reviewed by the Manager of the SNAP Section prior to notification of the Center. When the DCO County Administrator determines that an organization should not be authorized as a meal provider, one copy of the Application for Homeless Meal Provider Status and all copies of the Meal Provider Visit Record and Disposal will be sent to the manager of the Supplemental Nutrition Assistance Program (SNAP) Section, Slot S335. If the manager agrees with the decision to deny authorization, he or she will sign the Meal Provider Visit Record and Disposal and return the original and two copies to the county. One copy will be retained in the SNAP Section.

If the manager does not agree with the denial, the Area Director will be contacted. The Area Director will make the final decision about the disposition of the application.

For approvals, both the original Application for Homeless Meal Provider Status and the original Meal Provider Visit Record and Disposal will be sent to the Supplemental Nutrition Assistance Program (SNAP) Section, Slot S335, and then forwarded by the SNAP Section to the U.S. Department of Agriculture, Food and Nutrition Service, Room 3313, Federal Building, Little Rock, AR 72201.

1900 Classifying Households

SNAP Manual 06/15/98

Households will be classified in accordance with the provisions of this section.

1910 Aged/Disabled Household

SNAP Manual 07/01/2025

An aged/disabled household contains at least one (1) member who is age sixty (60) or over or is disabled as defined in the Glossary under "Age/Disabled". The household member who is aged or disabled is entitled to a medical deduction as provided in SNAP 6500. Households with an aged/disabled member are entitled to unlimited excess shelter costs. They are not subject to the gross income pretest but must meet the net income standards. See SNAP 7600 for an explanation of net income eligibility.

1919 Broad Based Categorically Eligible Household

SNAP Manual 07/01/2025

Broad Based Categorically Eligibility applies to all SNAP households that receive a non-cash TANF or Maintenance of Effort benefit (See Appendix AA for BBCE information). This allows the resource limit for all households to be increased (See Appendix D). This increase is permitted for a twelve (12) month period and can only be granted once every five (5) years. After the twelve (12) month period has been exhausted the standard resource amounts will apply.

1920 Categorically Eligible Household

SNAP Manual 07/01/2025

A categorically eligible household is any household in which all members receive (or are authorized to receive) Supplemental Security Income (SSI) or at least one (1) member receives (or is authorized to receive) a Transitional Employment Assistance (TEA) benefit as defined in SNAP 1920.2. "Authorized to receive" means that an individual has been determined eligible for benefits and has been notified of this determination even though the benefits have not yet been received. The fact that TEA or SSI benefits have been suspended, recouped, or are less than the minimum amount paid will have no impact on a determination of categorical eligibility.

No household may be classified as a categorically eligible household if:

1. The entire household is institutionalized, and the institution is not listed at SNAP 1800 as an institution where residents may participate in the Supplemental Nutrition Assistance Program.
   OR
2. Any member of the household is disqualified for an intentional program violation as defined in SNAP 16600 and SNAP 16800.

No household member will be included as an eligible member of a categorically eligible household if that member is:

- An eligible alien as defined in SNAP 1621.
- An eligible student as defined in SNAP 1622.2.
- Disqualified for failure to comply with a work registration requirement as defined in SNAP 3400.

1920.1 Categorically Eligible Households-SSI Recipients

SNAP Manual 02/01/20

See SNAP 1920 for restrictions to classifying households as categorically eligible.

Unless otherwise restricted, a household will be classified as a categorically eligible household if all household members (eligible and ineligible) receive or are certified to receive SSI benefits.

1920.2 Categorically Eligible Households-TEA Recipients

SNAP Manual 02/01/20

See SNAP 1920 for restrictions to classifying households as categorically eligible. Unless otherwise restricted, a household will be classified as a categorically eligible household if at least one household member receives (or is authorized to receive) one of the following Transitional Employment Assistance (TEA) benefits:

- **Child-care assistance:** This is limited to child-care assistance paid to current TEA cash assistance recipients and child-care assistance paid to former TEA cash assistance recipients through extended support services. If a TEA case closes due to employment, the former TEA recipient can receive childcare assistance through extended support services for up to 36 months after the date of closure.
- **TEA cash assistance:** These monthly payments are available to help meet the family's basic needs while the parent or other adult relative works toward increasing his or her earning potential. An eligible family may receive cash assistance for no longer than 24 months. TEA cash assistance is also available to help meet the needs of children who are being cared for by adult relatives other than a parent. Assistance to such relatives is available without regard to a specified time limit.
- **Mentoring services:** This service is designed to provide clients with the support needed to move from welfare to work. Mentoring services will be provided as long as it is deemed appropriate by the worker, coordinator and mentee. If the TEA case closes due to employment, these services may be provided for up to six months after the date of closure.
- **Diversion Assistance:** This is a one-time payment intended to help a family through a financial problem which jeopardizes employment which, if not solved, could result in the family coming on to regular on-going assistance.

- **Case management services and extended case management services**: Case management is the process of coordinating and brokering the multiple services needed to achieve progress towards self-sufficiency. Case Managers serve as a point of contact for the client and a point of accountability for the agency. Case management services will be provided to those individuals who need assistance before and after accepting employment. This service will be provided as long as the client is eligible. Extended case management may be provided for up to 12 months after cash assistance has been terminated due to employment.
- **Employment Bonus:** An Employment Bonus cash payment will be made to any family that becomes income ineligible due to employment or who requests the cash assistance case be closed due to employment. Only one Employment Bonus may be authorized to a family within a 12-month period.
- **Transportation assistance:** When a TEA case closes due to employment (by agency determination or at the family's request), the family is automatically eligible to receive two months of Extended Support Services (ESS) Transportation assistance. There is no limit to the number of times a family may receive ESS Transportation assistance.
- **Job retention payments:** When a TEA case closes due to employment, the family may receive, during the 12-month period following case closure, a cash payment for the purpose of enabling the adult to retain his or her job. The amount of payment will be the actual amount needed to resolve the job-related need.

This list is all-inclusive. Other benefits funded in whole or in part by TANF (TEA) funds will not confer categorical eligibility. This definition applies to a finding of eligibility by the county office. This means a household cannot be considered categorically eligible under these rules unless at least one household member made application to receive some type of TEA benefit provided through the DHS county office and was found eligible to receive such benefits.

1921 Financial Eligibility Factors

SNAP Manual 06/15/98

A categorically eligible household is not subject to the resource and income limitations of the Supplemental Nutrition Assistance Program. These households will be considered resource eligible without verification. With regard to income, these households have neither gross nor net income limits. The county office worker must verify the household's income.

1922 Non-financial Eligibility Factors

SNAP Manual 06/01/01

If an individual's status as a U.S. citizen or non-citizen national is questionable and was verified for another program, the county office worker will accept participation in that program as proof of citizenship.

Aliens who are otherwise ineligible for SNAP benefits are not made eligible for SNAP benefits because they receive SSI. The citizenship requirements supersede the categorical eligibility requirements of SNAP 1920.

A categorically eligible household is considered as having met the social security number information, sponsored alien information and residency requirements for SNAP purposes.

1923 Impact of Categorical Eligibility

SNAP Manual 08/01/04

If all members receive or have been authorized to receive SSI benefits and the household is otherwise entitled to be categorically eligible per SNAP 1920, the household is assumed to have met the SNAP residency requirements, SSN requirements, resource limits and net income limits. All household members must meet the citizenship requirements of SNAP 1621.

If a household is classified as a categorically eligible household because at least one household member receives one of the TEA benefits listed in SNAP 1920.2, the household is assumed to have met the SNAP residency requirements, resource limits and net income limits. However, those household members that receive neither SSI nor TEA benefits must comply with the SNAP SSN requirements specified in SNAP 2200. All household members must meet the citizenship requirements of SNAP 1621.

1924 When to Classify Categorically Eligible Households

SNAP Manual 02/01/20

If all household members receive SSI, if all members receive TEA cash assistance, or if all members receive a combination of TEA cash assistance and SSI benefits, the case will be classified as a categorically eligible household immediately. Otherwise, the county office worker must determine if a household is categorical eligibility if:

- An application for SNAP benefits is about to be denied because the household has resources or income over the Supplemental Nutrition Assistance Program limits; or
- A SNAP case is about to be closed because the household has resources or income over the Supplemental Nutrition Assistance Program limit.

Any SNAP application denied, or any SNAP case closed due to excess resources or income must contain documentation that the household is not categorically eligible. To assist in the process of applying these rules to households with excess resources of income and documenting the result, a *Categorical Eligibility Test* will be used. (The Categorical Eligibility Test may be accessed through DHS SHARE.) A Categorical Eligibility Test must appear in all SNAP denials and closures if the basis of the denial is excess income or resources. Households with a pending TEA application that have been denied benefits due to excess income or resources will be issued a manual denial notice.

The notice must state that if any household member begins receiving TEA benefits, the household may become categorically eligible and that the household may reapply for SNAP benefits.

1925 Verification of Categorical Eligibility

SNAP Manual 02/01/20

For all households, the household's categorical eligibility status will be determined when the SNAP case is adjusted to remove the cash assistance payment amount unless these benefits are being recouped or suspended. If the household continues to be categorically eligible due to receipt of or authorization to receive non-cash TEA benefits through the DHS County Office, the SNAP case will not be closed due to excess resources or income. If the household is no longer categorically eligible, the case will be closed if the household's income or resources exceed Supplemental Nutrition Assistance Program limits.

For households receiving or authorized to receive non-cash TEA benefits through the DHS County Office (even if these benefits are being recouped or have been suspended), the household's categorical eligibility status will be reviewed when the semi-annual report is submitted. If the household is not subject to semi-annual reporting, categorical eligibility will end when the household stops receiving TEA benefits unless these benefits are being recouped or suspended. Each county should devise some method of monitoring categorically eligible cases so that ineligible households do not continue receiving SNAP benefits when categorical eligibility ends.

If questionable, the worker will verify that the household contains at least one (1) member who receives a TEA benefit authorized through the DHS County Office or contains only members who are SSI recipients. If questionable, the worker will also verify that the household meets the definition of a household as provided in SNAP 1630.

1930 Regular Households

SNAP Manual 06/15/98

Regular households are all households that meet neither the aged/disabled criteria nor the categorical eligibility criteria.

2100 Social Security Number Enumeration Requirement

SNAP Manual 05/01/08

To meet the Social Security enumeration requirement, each eligible person included in the Budget Unit must either:

a) Declare a Social Security number or
b) Apply for a Social Security number if one has not been issued or if one has been issued but is not known.

2200 Individuals who Declare an SSN

SNAP Manual 05/01/08

To declare an SSN, an individual must state the number. Verification is not required. When an individual declares an SSN, the eligibility worker will enter the SSN to the ANSWER system for verification through the IEVS system. (This verification process is described in SNAP 2400.) The county office worker will not attempt to verify the SSN declared. However, if the household presents documentary evidence such as a social security card, a copy of the documentary evidence will be placed in the case record and used, if necessary, to clear any SSN discrepancies.

2210 SSN Application Process (No SSN or SSN Not Known)

SNAP Manual 05/01/08

a. <u>Aliens and Individuals age 12 or over</u>

An alien regardless of age and an individual age 12 or over must apply in person at the local Social Security Administration Office. The eligibility worker will issue an SS-5, *Application for a Social Security Card*, and a DCO-12, *Enumeration Referral*, along with the identifying information and pseudo-SSN to the applicant. The worker will not forward any evidence to SSA for the applicant unless SSA specifically requests such evidence. A photocopy of the SS-5 and DCO-12 will be retained in the county office until the DCO-12 is returned by SSA showing that a complete SSN application has been received.

An individual who has been issued a number but does not know it can obtain a replacement SSN card by completing an SS-5 and taking or mailing it to SSA.

If the DCO-12 is returned by SSA showing that a complete SSN application has not been received, the eligibility worker will send a *Notice of Action* (DCO-1) advising the applicant that he must submit a complete SSN application to SSA within 10 days or the Supplemental Nutrition Assistance Program (SNAP) application will be processed without that person's eligibility being considered.

b. Individuals under age 12

Form SSA-2853 (Receipt for Enumeration at Birth) will be accepted as proof of application for an SSN if an application for an SSN was made at the hospital when the baby was born. The eligibility worker will request the applicant to provide the SSA-2853, and make a photo copy for the case record. The county worker can accept this form as proof until the first recertification. At that time, if a card has not been received, or a number is not on the system, the worker will complete an SS-5 and DCO-12 to forward to the SSA office, as described below.

For other individuals under age 12 who must apply for an SSN, the eligibility worker must complete the SS-5 and DCO-12. The worker will inform the applicant what are acceptable types of evidence to verify date of birth, identity and U.S. citizenship as listed on the SS-5 application.

The original copies of evidence along with the SS-5 and DCO-12 will be submitted to the local Social Security Administration Office. A photocopy of the SS-5 and DC-12 should be retained in the county office until the DCO-12 is returned by the SSA office indicating that a complete SSN application has been received.

If the DCO-12 is returned by SSA indicating that additional information or evidence is required, the worker will obtain the additional evidence, if available to the worker, and resubmit the entire SSN application and DCO-12. If additional evidence is not available to the worker, a notice will be sent to the applicant requesting the information and advising that if not provided within 10 days, the application will be processed without the person's eligibility being considered.

c. Qualified Aliens not Authorized to Work in the US

SSA will not assign an SSN or a replacement card to an alien who does not have authorization of the Department of Homeland Security to work in the United States unless the alien has a valid non-work reason for needing an SSN. Meeting the eligibility requirements for SNAP benefits would be a valid reason for SSA to authorize an SSN. To

assign an SSN in this situation, SSA requires documentation from DCO that the individual meets all eligibility requirements for SNAP except for an SSN. For these individuals, the county office must first determine that the individual meets all points of eligibility except for an SSN. If they are SNAP eligible, the county should complete the DCO-12, checking on the form that the non-work alien meets all eligibility requirements except for the SSN.

The county office will issue the DCO-12 and SS-5 to the applicant or responsible party, following the procedures above, regardless of the age of the qualified alien. SSA requires an interview for enumeration of all non-citizens.

NOTE: Counties should only refer eligibles to SSA. Non-eligible, non-work, alien parents applying only for their children should not be referred to SSA. They should be given a pseudo-SSN.

d. Undocumented Aliens

Undocumented aliens who are the case head or included in an open case as an ineligible member will be assigned a pseudo number even if an SSN is provided. This includes an undocumented pregnant woman.

More information regarding the procedures for applying for a SSN can be obtained through SSA's website: www.ssa.gov/ssnumber/ or by calling toll free at 1-800-772-1213, deaf or hard of hearing at 1-800-325-0778 from 7 a.m. to 7 p.m., Monday through Friday for specific questions.

2220 Delay in SSN Requirement

SNAP Manual 05/01/08

1. When a household reports the birth of a child to a household member, a DHS county office worker must request that the household declare an SSN or apply for an SSN for the newborn child. If the newborn child has not yet received his or her SSN, a DHS county office worker must request that the household furnish proof that an application for an SSN has been completed for the child. A copy of the Receipt of Enumeration at Birth (SSA-2853), the form issued by the hospital when a parent applies for an SSN for a newborn child, will be sufficient verification of application for newborns. A *Newborn Infant Medicaid Coverage* (DCO-645) may also be used as proof of application for an SSN if the form indicates that application for an SSN was made. The county office worker

must complete the SS-5 when there is no declaration of an SSN or when an SSA-2853 OR a DCO-645 has not been provided for a newborn.

In some instances, the parents of a newborn child will not be able to declare an SSN or furnish birth proof for the newborn child. In these instances, compliance with the SSN requirement may be delayed until the household's next recertification or for up to six months from the month of birth, whichever is later. The purpose of this delay is to allow newborns to participate in the Supplemental Nutrition Assistance Program while the parents obtain an SSN for the child or obtain the birth proof needed to apply for an SSN.

Whenever compliance with the SSN requirement is postponed for a newborn child, the household must be issued a *Notice of Action* (DCO-1) to explain:

- That the household must either be able to furnish an SSN or birth proof for the child;
- The approximate date by which this information must be furnished;and
- That the child will be disqualified if this information is not furnished.

Households unable to comply with the SSN requirement for newborns within the time frames established in this policy section may be able to establish good cause as explained in SNAP 2310.

2. Households entitled to expedited service as specified in SNAP 9200 may delay compliance with the SSN requirement for the first month of certification. See SNAP 9442 for an explanation.

2300 Failure to Comply

SNAP Manual 05/01/08

Any household member for whom the household declines to provide a social security number will be disqualified as instructed in SNAP 1623.1. The county office worker will explain to the applicant when an SSN is being requested that refusal or failure to apply for an SSN without good cause will result in disqualification of the noncompliant member.

If a DHS county office worker determines that a household has refused or failed without good cause to declare an SSN, to apply for an SSN, or to provide the documents needed to complete and submit an application for an SSN (SS-5) for a household member, a sanction must be imposed. The sanction will be the disqualification of the individual for whom the SSN has not been provided. The earned or unearned income and resources of an individual disqualified from the household for failure to comply with the SSN requirement will be counted as household income and resources to the extent specified in SNAP 1623.1.

2310 Good Cause for Failure to Comply

SNAP Manual 05/01/08

If, at application, the household can show good cause why an otherwise eligible household member failed to declare or to apply for an SSN in a timely manner, the member will be allowed to participate for one month in addition to the month of application. Good cause must be shown on a monthly basis in order for the household member to continue to participate until the SSN requirement is met.

Good cause applies when the Division of County Operations (DCO) or the Social Security Administration (SSA) fails to take action or takes an improper action. Good cause does not include delays due to illness, lack of transportation, or temporary absences. Good cause does include:

- Failure of DCO or SSA to complete an SS-5 even though all needed documentation has been supplied.
- Improper completion of an SS-5 by DCO.
- Loss of the SS-5 by DCO.
- Failure of DCO to submit the SS-5 to SSA.

When determining if good cause exists, the DHS county office worker must consider information from the household, DCO and SSA.

2320 Ending Disqualification

SNAP Manual 05/01/08

A household member disqualified for failure to declare or apply for an SSN becomes an eligible member upon compliance with the SSN requirement (see SNAP 2400).

2400 Verification of Social Security Number by SSA

SNAP Manual 05/01/08

Each month, all Social Security numbers that have been entered to ANSWER by the county office with enumeration code "Provided" are submitted to the Social Security Administration to verify SSN based on name, sex and date of birth. ANSWER will submit every unverified number and pseudo numbers on a monthly basis. If all match data agrees with SSA records, the enumeration code is changed to "Verified" in ANSWER by the system and the SSN is no longer keyable by the county. Once verified the enumeration code "S" will show on the Mainframe and ANSWER will show "Verified".

If one or more of the match items does not agree with SSA records, the enumeration code will be changed on the Mainframe and ANSWER system to one of the following mismatched codes:

Mainframe	Answer
1	SSN not on SSA files
2	Name matches, DOB matches, Sex does notmatch
3	Name matches, DOB does not match
4	Name matches, DOB and Sex do notmatch
5	Name does not match, DOB and Sex not checked.
6	Name and DOB match, multi or different SSN

2410 SSN Mismatch Report

SNAP Manual 05/01/08

SSNs that have mismatched with SSA records will be reported via the SSN Mismatch Report on the ANSWER Reporting System. A mismatched SSN will continue to verify the number. The report will reflect the number of times a particular mismatched SSN has been submitted to SSA. This counter will appear in the "Counter" column of the Mismatch Report.

The report will be posted to the ANSWER Reporting System by the third workday of each month. The county staff must review and take action to resolve each mismatch on the report within 60 days of receipt. The ANSWER Narrative will be updated to reflect the action taken.

2420 Resolving Mismatches

SNAP Manual 05/01/08

First check for obvious mismatches, (e.g. errors in keying the SSN, sex, name, or date of birth). Next, check SOLQ to determine if a correction can be made in ANSWER from the SSA data on SOLQ. If this process does not resolve the mismatch, follow the procedures listed below.

a. **SSN Not on SSA Files (Code 1)**

If the SSN submitted is not a pseudo number;

(1) View the person's Social Security card.

(2) If the number on the card is different from that shown on ANSWER, make the necessary corrections on ANSWER and change enumeration code to "provided". The SSN will then be resubmitted to SSA on the next SSN electronically transferred file.

(3) If the number on the card is the same as shown in ANSWER, send a photocopy of the card with a memo via fax or email to ANSWER System Support, Office of Program Planning and Development (OPPD), fax # 682-1597. The memo should list the case head name, case number, member name, member SSN, the reason for the mismatch and any other pertinent information the county has obtained, e.g., contact with SSA. Narrate information in ANSWER. System Support will further investigate and advise the county of further actionneeded.

NOTE: Code 1 will continue to show for a newborn with a pseudo number until an SSN has been issued.

b. **Name matches, DOB matches, Sex does not match (Code 2); Date of BirthMismatch (Code 3); Name matches, DOB and Sex do not match (Code 4)**

(1) View a copy of the individual's birth certificate or other proof of age.

(2) If date of birth and/or sex is different from that shown in ANSWER, make necessary corrections in ANSWER and change enumeration code to"Provided".

(3) If date of birth and/or sex is the same as shown in ANSWER but different from what is shown in SOLQ, submit an SS-5 to SSA with the age documentation. A DCO-12 will also be sent with the SS-5. When SSA's records are corrected, an update will be

received via the enumeration system and the enumeration code will be changed automatically to "S" on mainframe and "Verified" in ANSWER.

(4) If all information is the same as shown in ANSWER, send a photocopy of the documents with a memo via fax or email to ANSWER System Support, Office of Program Planning and Development (OPPD), fax # 682-1597. The memo should list the case head name, case number, member name, member SSN, the reason for the mismatch and any other pertinent information the county has obtained, e.g., contact with SSA. Narrate information in ANSWER. System Support will further investigate and advise the county of further actionneeded.

c. Name Mismatch (Code 5)

(1) View the person's Social Security card.

(2) If the name shown on the card is different from that shown in ANSWER and the person is in agreement, make the necessary corrections in ANSWER and change the enumeration code to "Provided". If the person is not in agreement and it has been established that the person is the same, the preferred name will beused.

EXAMPLE 1: The name on the card is Mary Smith (married name). The name in ANSWER is Mary Jones. Ms. Jones agrees to change her name to Mary Smith. ANSWER is corrected and the enumeration code will be changed to "Provided".

EXAMPLE 2: Mary Smith prefers to use her maiden name, Mary Jones, instead of her married name. The name in ANSWER is Mary Jones. Her name will not be changed to her married name. in ANSWER. Ms. Jones will be advised to contact SSA to change their records.

(3) If the name shown on the card is incorrect, proof of the correct name should be obtained. An SS-5 with the documents verifying the correct name will then be sent to SSA to correct their records. A DCO-12 will be sent with the SS-5.

EXAMPLE 3: George Williams Martin is listed on the Social Security Card. However, the correct name is George Martin Williams as verified by the birth certificate.

(4) If the name on the card agrees with the name in ANSWER, send a photocopy of the card with a memo via fax or email to ANSWER System Support, Office of Program Planning and Development (OPPD), fax # 501-682-1597. This memo should list the case head name, case number, member name, member SSN, the reason for the mismatch and any other pertinent information the county has obtained, e.g., contact with SSA. Narrate information in ANSWER. System Support will further investigate and advise the county of needed action.

d. Name & DOB match, Multiple SSN's or different SSN (Code 6)
The worker will review the SSNs provided and SOLQ to determine which number is correct. WESD may also be used if determined appropriate. If the applicant did not provide an SSN card, the worker will request a copy of it if needed to determine the correct number. ANSWER will be updated with the correct number.

e. Pseudo SSN
The System will update a pseudo if only one actual SSN is returned. If more than one is listed on the mismatch report, the worker will determine the correct number and update the number in ANSWER.

2430 Household Cooperation in Clearing the Mismatch Report

SNAP Manual 05/01/08

When declared SSN's are returned by SSA as unverified, it is often necessary for the household to furnish the information necessary to clear the Mismatch Monthly Report.

A request for contact must be issued by a DCO county worker to advise the recipient of the mismatch, what caused the problem (e.g., name is incorrect) and what information must be provided to resolve the problem. The recipient will be given 10 days to furnish the information. If the household does not furnish the needed information by the end of the designated 10-day period an advance notice of adverse action will be issued. The notice will specify that:

- The recipient has 10 days to furnish the information needed to clear the SSN mismatch;
- Failure to provide the information will result in terminating eligibility for the individual whose SSN has not been verified or closure of the case if applicable; and
- If there are problems in obtaining the needed material the recipient should contact the DCO county office at once.

If the recipient claims that the information needed to clear the mismatch report cannot be furnished, the DCO county worker must substantiate the inability to provide the needed information. For example, a household may claim it cannot verify a name change because official records were destroyed in a fire. The DCO county office worker would attempt to verify the occurrence of the fire because SSA records cannot be corrected without the missing documentation. If the county worker verifies that the recipient cannot provide the information needed to verify the SSN, the individual may continue to participate if otherwise eligible.

All actions taken by the county office to clear SSN mismatches must be fully documented in ANSWER.

2440 Monitoring the SSN Mismatch Report

SNAP Manual 05/01/08

The DCO ES County Supervisor, or designee in the absence of an ES County Supervisor, will be responsible for monitoring the SSN mismatch report posted monthly for appropriate and timely processing. A random selection will be reviewed for compliance.

The Program Support Specialists will conduct a random review of cases listed on the SSN mismatch report monthly for compliance and provide a report to the Area Director.

2500 Income and Eligibility Verification System

SNAP Manual 08/01/05

Through the Income and Eligibility Verification System (IEVS), the Supplemental Nutrition Assistance Program requests wage, unearned income, and benefit information from the Employment Security Department (ESD), and the Social Security Administration (SSA). The social security numbers (SSNs) of all applicant and recipient members, including excluded members, are used in the IEVS matching process.

Information obtained through IEVS is used to:

- Verify household eligibility;
- Determine if a household is receiving the correct amount of SNAP; and to
- Obtain information needed to conduct criminal or civil prosecutions based on improper receipt of SNAP.

2510 Transmitting SSNs for IEVS

SNAP Manual 08/01/05

THIS SECTION OF POLICY WAS DELETED EFFECTIVE 08/01/05

2520 Transmitting SSNs to ESD

SNAP Manual 08/01/05

THIS SECTION OF POLICY WAS DELETED EFFECTIVE 08/01/05

2530 Transmitting SSNs to SSA

SNAP Manual 08/01/05

THIS SECTION OF POLICY WAS DELETED EFFECTIVE 08/01/05

2540 Transmitting SSNs to IRS

SNAP Manual 08/01/05

THIS SECTION OF POLICY WAS DELETED EFFECTIVE 08/01/05

2600 Using IEVS Information for Applicants

SNAP Manual 08/01/05

At the time of or before the application interview, a DHS county office worker (clerical worker, case manager, etc.) must inquire to the WESD screen for the following household members:

- Age 16 or 17 and not receiving disability benefits or enrolled in school full time
- Age 18 to 65 and not receiving disability benefits

A county office worker must print both the UI (unemployment insurance) history screen and the wage history screen for all these household members. The information contained on the UI screen is considered to be verified upon receipt. DHS county office workers may use this information to verify statements provided on the application and/or during the interview. If the household has not declared information found on the UI screen, a county office worker will resolve the discrepancy during the interview.

The information on the WAGE screen may be several months old and must be independently verified. If the information on the WAGE screen indicates that someone in the household may be working and income from employment was not reported on the application, a DHS county office worker must resolve the discrepancy. To resolve the discrepancy, the county office worker will ask the household if the household member is currently employed. If the response is “no”, the county office worker will determine why he or she is no longer employed. Verification will be requested if appropriate. If the response is “yes”, a county office worker will request verification of current earnings.

An overpayment will be prepared if the household did not report the employment at the last application and/or semi-annual report. See SNAP 15400.

2610 Using IEVS Information for Recipients

SNAP Manual 08/01/05

At the time of or before the semi-annual report is processed, a DHS county office worker (clerical worker, case manager, etc.) must inquire to the WESD screen for at least the following household members:

- Age 16 or 17 and not receiving disability benefits or enrolled in school full time
- Age 18 to 65 and not receiving disability benefits

A county office worker must print both the UI (unemployment insurance) history screen and the wage history screen for these household members. The information contained on the UI screen

is considered as verified upon receipt. County office workers may use this information to verify statements provided on the semi-annual report. If the household has not declared information found on the UI screen, the county office worker will resolve the discrepancy before the semi-annual report is processed.

The information on the WAGE screen may be several months old and must be independently verified. If the information on the WAGE screen indicates that someone in the household may be working and the employment was not reported on the semi-annual report, the county office worker must resolve the discrepancy. To resolve the discrepancy, the county office worker will ask the household if the household member is currently employed. If the response is "no", the county office worker will determine why he or she is no longer employed. Verification will be requested if appropriate. If the response is "yes", the county office worker will request verification of current earnings

Selected IEVS reports will be generated on all occasional reporting households certified for 24 months or certified for 12 months but not subject to semi-annual reporting. The following IEVS reports will be generated:

- BENDEX Change
- New SSI Cases
- SSI Mismatch

When the SNAP budgets are recalculated for the annual social security cost of living adjustment (COLA) a mismatch report is generated. The mismatch report that involves SSI recipients also contains information considered verified upon receipt.

When an IEVS report is received, the county office will initiate and pursue action on this information within 45 days from the run date of each IEVS report. The information generated on IEVS reports is considered to be verified upon receipt. (If the household disputes the information provided on the IEVS report, see SNAP 2620.)

The change reported on the IEVS report must be processed. If the change results in an increase in benefits, an adequate notice will be issued to the household. If the change results in a decrease in benefits, an advance notice of adverse action must be issued to the household.

2620 Using IEVS Information for Recipients

SNAP Manual 08/01/05

If the household disagrees with the information provided on the IEVS match, the DHS county office will submit a query to the SSA Query Screen (WQRY). If the information that returns on

the SSA Query report disagrees with the information found on the IEVS match, the query report information will be used as verification of the household's current benefit.

The household will be notified of the information obtained in the SSA Query report. If this information results in case closure or benefit reduction, an advance notice of adverse action must be issued to the household. (See the Glossary definition of "Notice of Action" for additional information.)

Households that disagree with the information provided by SSA will be advised that they may provide independent verification of their SSA and/or SSI benefit amount. If the verification provided by the household verifies an amount other than the amount verified by the Query report, the county office will reinstate the household's benefits (if the case closed) or increase the household's benefits within 10 days of the date the verification was provided by the household.

NOTE: If the information provided by the household results in an additional decrease or case closure, another advance notice of adverse action must be issued to the household.

Benefits will be restored or supplemented if necessary to insure the household has no loss of benefits due to the problem with the information provided by SSA. See SNAP 13000 for instructions on issuing supplemental and restored benefits.

2700 IEVS Verification and Notification/Households Not Subject to Limited Reporting

SNAP Manual 08/01/05

REPORT

Number	Report Title & Content
FS-1946	BENDEX Change for SNAP Recipients As Of _____
FS-1947	For Benefit Month _____
	Case Head Name Case Number Category Member Name (member on WFSM) Member SSN SSA Claim Number (SSN under which member receives SSA benefits)
Payment Code:	A Adjusted SSA benefit CP Current payment of SSA / member listed S Suspended SSA benefit T Terminated SSA benefit
	SSA Payment Amount FS SSA Amount
FS-1933	New SSI Cases for SNAP Recipients As Of _____ For
FS-1964	Benefit Month _____
	Case Head Name Case Number Category Member Name Member SSN Date of SSI Eligibility SSI Amount Payment Status Code (C01 & M01 indicate that SSI is in current payment status) SSI Case Number (from WASM) Category (of SSI - see ACES Data Element Codes, Category) Lump Sum Amount (of SSI, if any)

REPORT

Number	Report Title & Content
FS-1932	SSI Mismatch Report for SNAP Recipients As Of _____
FS-1965	For Benefit Month _____ Case Head Name Case Number Category Member Name Member SSN ACES SSI Amount (ACES contains all SSI records and the ACES file will be interfaced with FS monthly to determine if FS and ACES SSI amounts agree. If they do not agree, a mismatch will occur and will be included on this report.)

2710.1 Verification Under the Computer Matching Act

SNAP Manual 08/01/05

This section of policy has been deleted effective 08/01/05.

2710.2 Notification Requirements Under the Computer Matching Act

SNAP Manual 08/01/05

This section of policy has been deleted effective 08/01/05.

2720 State Matches

SNAP Manual 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

2800 IEVS Reports for SNAP Applicants

SNAP MANUAL 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

2805 IEVS Recipient Reports and Pending Case Action File

SNAP MANUAL 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

2900 IEVS Savings

SNAP Manual 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

2910 Savings for Denied Applications

SNAP Manual 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

2920 Savings for Approved Applications, Case Changes, and Closures

SNAP Manual 08/01/05

THIS SECTION OF POLICY HAS BEEN DELETED EFFECTIVE 08/01/05.

3100 Work Registration Requirements – Summary

SNAP Manual 01/01/2024

Requirement to Work (RTW)

Able Bodied Adult Without Dependents (ABAWD) is limited to any three (3) months in a three (3) year period of receiving benefits. Any individual subject to the Requirement to Work (RTW) will be ineligible to receive Supplemental Nutrition Assistance Program (SNAP) benefits if, during a three (3) year period, he or she received SNAP benefits for at least three (3) months while he or she did not work at least an average of eighty (80) hours per month or participate in and comply with a specified work program or was otherwise exempt. See SNAP 3500.

The three (3) month time limit does not apply to individuals who are:

1) Seventeen (17) or younger;
2) Fifty-two (52) or older; (See age increases below)
3) Medically certified as physically or mentally incapacitated for employment;
4) Responsible for a dependent child or residing in a SNAP household where a household member is age seventeen (17) or younger;
5) Pregnant or
6) Otherwise exempt from the work registration requirements;
7) Homeless
8) A Veteran
9) Individuals who are twenty-four (24) years of age or younger and who aged out of foster care at eighteen (18 under the responsibility of a state.

The *Fiscal Responsibility Act of 2023 (FRA)* gradually increases the age of those subject to the able- bodied adults without dependents who are exempted from the ABAWD time limit. The groups include:

- **Effective September 1, 2023,** the ABAWD time limit increases to age fifty (50).
- **Effective October 1, 2023**, the ABAWD time limit increases to age fifty-two (52).
- **Effective October 1, 2024**, the ABAWD time limit increases to age fifty-four (54).
- **Effective October 1, 2025**, the ABAWD time limit increases to age fifty-five (55).

Voluntary Quit

Any individual who is not otherwise exempt from the work registration requirements will be subject to sanction if he or she voluntarily quits a job without good cause or voluntarily reduces his or her work effort to less than 30 hours per week. See SNAP 3401.1.

Requirement to Work (RTW)

Able Bodied Adult without Dependents or Able-Bodied Adult eligibility is limited to any 3 months in a 3-year period of receiving benefits. Any individual subject to the Requirement to Work

Voluntary Quit

(RTW) will be ineligible to receive SNAP benefits if, during a 3-year period, he or she received SNAP benefits for at least three months while he or she did not work at least an average of 80 hours per month or participate in and comply with a specified work program or was otherwise exempt. See SNAP 3500.

The 3-month time limit does not apply to individuals who are: 1) 17 or younger; 2) 50 or older; 3) medically certified as physically or mentally incapacitated for employment; 4) responsible for a dependent child or residing in a SNAP household where a household member is age 17 or younger; 5) pregnant or 6) otherwise exempt from the work registration requirements.

Employment &Training Program

In certain locations the SNAP E&T Program is available to household members subject to the Requirement to Work. See SNAP 3600.

Workfare Program

Certain non-exempt work registrants may perform public service activities as a condition of receiving SNAP benefits. See SNAP 3700.

3200 Who is Exempt from Work Registration

SNAP Manual 01/01/2024

Eligible household members are exempt from work registration if the household member is:

1. Under age sixteen (16) or age sixty (60) or older.
2. Age sixteen (16) or seventeen (17) and living with a parent or attending a school or training program on at least a half-time basis.
3. Receiving Transitional Employment Assistance (TEA) Cash Assistance.
4. Caring for a dependent child under age six (6) or an incapacitated person.
5. Receiving unemployment benefits.
6. Currently participating in a treatment program for alcoholism or drug addiction.
7. Employed or self-employed on a full-time basis (thirty (30) hours or more).
8. A student enrolled at least half-time in any recognized school, training program, or institution of higher education.

An exemption from work registration means certain individuals are not required to fulfil the work requirements. Other recipients are exempt from work registration because the work requirement is being met. A full explanation of each exemption appears below in SNAP 3210-3290.

3210 Under 16 or 60 or Older

SNAP Manual 1/01/99

Household members younger than 16 years of age or 60 years of age or older are exempt from the work registration requirements.

NOTE: If a child reaches his 16th birthday within a certification period, he/she will be registered for work at the next scheduled recertification unless he or she qualifies for another exemption.

3220 Certain Household Members Aged 16 or 17

SNAP Manual 11/01/02

A household member who is age 16 or 17 is exempt from the work registration requirements if any of the following apply:

- Is living with a parent or a person who is acting as a parent;
- Is attending a high school or a school of higher education;
- Is enrolled in an employment training program on at least a half-time basis as determined by the school or training program;
- Is otherwise exempt – e.g. – individual living with a disability, or cares for a dependent child under age six, etc.

NOTE: If a child who is exempt from the work registration requirement solely because he is living with a parent or a person who is acting as a parent reaches his 18th birthday within a certification period, he will be registered for work the month following his 18th birthday unless he qualifies for another exemption.

3230 Individual Aged 60 or older and/or Living with a Disability

SNAP Manual 01/01/17

Household members who are unable to work because of physical or mental incapacitation are exempt from the work registration requirements.

See the Glossary definition of "an Individual Aged 60 or older and/ or Individual Living with a Disability." In addition to the individuals who meet the definition of Individual Living with a Disability found in the Glossary, the following individuals may be considered individuals Living with a Disability:

- Individuals receiving services through Arkansas Rehabilitation Services (ARS).
- Individuals receiving Worker's Compensation or other "sick pay" type benefits.

When a member is not receiving disability benefits, the worker will determine if the member's disability is obvious or if verification is required.

An obvious disability is one where the worker can easily determine that the individual is incapable of gainful employment. Individuals with obvious disabilities include, but are not limited to, individuals who are:

1. Recovering from major surgery within the last six weeks; or

2. Housebound or wheelchair bound.

When the disability is not obvious or an obvious disability is questionable, the household will be asked to furnish verification. Acceptable verification includes, but is not limited to:

1. A statement from a medical professional indicating the cause of disability and, if known, how long the disability is expected to last;
2. A decision by the Medical Review Team that the individual is currently living with a disability or
3. Collateral evidence (written or oral) that the individual receives services through Arkansas Rehabilitation Services.

   Documentation should appear in the case record regarding:
   a. The nature of any disability which results in an exemption;
   b. The anticipated length of the disability; and
   c. The type of verification obtained if the exemption was verified.

NOTE: Services for an Individual Living with a Disability are available through Arkansas Rehabilitation Services (ARS). If appropriate, the worker may refer the Individual Living with a Disability to ARS through normal office procedures.

3240 Household Member Caring for Dependent Child Under 6 or Incapacitated Person

SNAP Manual 1/01/99

An adult household member who is responsible for the care of a dependent child under the age of 6 or is responsible for the care of an incapacitated person of any age is exempt from the work registration requirements. Exemptions for the care of an incapacitated person should be fully documented. Documentation must include the name of the person providing care and a description of the incapacitating condition.

If a child reaches his 6th birthday within a certification period, the household member responsible for the care of the child will be work registered during the next scheduled recertification or case action unless the member qualifies for another exemption.

3250 Receiving TEA Cash Assistance

SNAP Manual 1/01/99

All able-bodied adults (age 18 or older) who receive TEA Cash Assistance are required to work or participate in TEA Program work activities designed to lead to work. These individuals will be exempt from the SNAP work registration requirements due to compliance with TEA work requirements.

3260 Receiving Unemployment

SNAP Manual 01/01/17

Household members who are currently receiving unemployment insurance benefits are exempt from the work registration requirements. A household member who has applied for, but not yet begun to receive, unemployment insurance benefits is also exempt if he or she was required to register for work with the state's workforce agency, Department of Workforce Services (DWS), as a part of the unemployment insurance application process.

An applicant for unemployment would not be required by DWS to register for work when:

- He or she is job attached and laid off for less than 8 weeks; or
- He or she is a member of a trade union that assists members in finding employment.

NOTE: Verification of whether the individual was registered through DWS may be obtained from Department of Workforce Services. The worker will not contact DWS to determine if a household member is registered for work through DWS. This determination will be based upon correspondence (letters, forms, WESD through ARFinds, etc.) from DWS that is provided to the household member, or any other information available. In situations where there is no available information, the registrant's statement will be used. The case record will be documented accordingly.

If an individual who is exempt from work registration solely due to receipt of unemployment benefits fails or refuses to comply with DWS work requirements, a sanction may be imposed. See SNAP 3414.

3270 Addicts and Alcoholics

SNAP Manual 01/01/17

Household members who are currently participating in a drug addiction or alcoholism treatment and rehabilitation program on an in-patient or out-patient basis are exempt from the work registration requirements.

3280 Employed Persons and Self-Employed Persons

SNAP Manual 01/01/17

Household members who are employed and either working a minimum of 30 hours weekly (120 hours monthly) or receiving weekly earnings at least equal to the state or federal minimum wage, whichever is greater, multiplied by 30 are exempt from work registration requirements.

This exemption includes any migrant or seasonal farm worker who is under a contract or similar agreement with an employer or crew chief to begin employment within 30 days. A migrant or seasonal farm worker who does not have such an agreement and is not otherwise exempt will be registered for work.

The number of hours of employment may be verified from:

1. Wage stubs;
2. Employers; or
3. The current amount of verified income divided by 30.

A household member solely engaged in a hobby, volunteer work or another activity for which little or no payment is received is not considered gainfully employed regardless of the length of time spent in such activity.

A self-employed household member who works a minimum of 30 hours per week (120 hours monthly) or who receives weekly earnings at least equal to the federal minimum wage, multiplied by 30 hours is exempt from the work registration requirements. This exemption may be established through verification of the amount of earnings if the earnings are at least equal to the federal minimum wage, multiplied by 30 hours per week. If the income is not sufficient to conclude full time employment, the household must cooperate with the worker in establishing either that:

1. The gross income reported is at least sufficient to be considered gainful employment; or

2. The volume of work performed by the household member justifies the self-employment enterprise as a full-time job. For example, some farmers work more than 40 hours per week yet make no profit.

3290 Students

SNAP Manual 01/01/17

A student aged 18 or older who is enrolled at least half-time as defined by the school in a high school or in a GED program is exempt from the work registration requirements. If a student is enrolled in an institution of post-secondary education at least half-time as defined by the school in SNAP 1622.1 and the student is eligible to participate as per SNAP 1622.3, the student is exempt from the work registration requirements. The exemption continues to apply through periods of school recess but is lost when the student graduates, drops out, is expelled, or otherwise terminates enrollment.

3300 Individuals to be Registered for Work

SNAP Manual 01/01/17

All eligible household members who are not exempt for work registration will be registered for work.

3310 Work Registration at Case Actions

SNAP Manual 01/01/17

3310.1 Work Registration at Initial and/or Recertification Applications

SNAP Manual 01/01/17

All eligible, nonexempt household members are automatically work registered when the SNAP application form is signed. A household must be notified which members are subject to the work registration requirements. A *Notification of Work Registration* (DCO-260) must be issued to let the household know which members are subject to the work registration requirements.

The eligibility worker must work register household members for work when:

1. An eligible, nonexempt individual enters a household currently certified to participate in SNAP; or
2. An eligible household member in a participating household loses an exemption due to a change that must be reported as specified in SNAP 11200.

3310.2 Work Registration at Reported Change

SNAP Manual 01/01/17

At the time of a reported change or semi-annual report, work registration must be completed for all nonexempt members who enter the household or for member who loses an exemption as a result of a reported change which is required to be reported per SNAP 11200.

A *Notification of Work Registration* (DCO-260) must be completed when:

1. A nonexempt member enters the household; or
2. An eligible household member loses an exemption due to a reported change on the semi-annual report; or
3. A nonexempt member turned 16 since the last case action.

If the worker cannot determine based solely on information available on the change report or in the case record that the member must be work registered, the household will be contacted.

If the needed information cannot be obtained by telephone, the household will be issued a request for contact using a *Notice of Action* (DCO-1). The request for contact will advise the household that if the information needed to complete the work registration is not provided, the non-compliant household member will be disqualified as per SNAP 3412. See SNAP 12400 for instructions on issuing a request for contact.

3310.3 Work Registration at Periodic Report and Annual Review

SNAP Manual 01/01/17

A. Semi-Annual Report

If the worker cannot determine if a member should be work registered based on the information on semi-annual report, the worker should attempt to contact the household by telephone to avoid a delay in form processing. If the needed information cannot be obtained by telephone, a *Notice of Required Verification* (DCO-218) will be issued to the household. The household must have at least 10 days to respond to the request for information. Therefore, the DCO-218 must be returned before the end of the report month or within 10 days, whichever is later. The eligibility worker must work register household members for work and a *Notification of Work Registration* (DCO-260) must be completed when:

1. An eligible, nonexempt individual enters a household currently certified to participate in the SNAP; or
2. An eligible household member in a participating household loses an exemption due to a change that must be reported as specified in SNAP 11200.

If the household does not return the information requested on the DCO-218 within the specified time frames, the member will be disqualified per SNAP 3412. An adequate notice will be issued to the household to advise the household of the effects of the disqualification.

Once work registration status has been determined, the worker will issue a DCO-260 to the household to advise who will be work registered.

B. Annual Review

A household composed entirely of members aged 60 or older and/or individuals living with disabilities with minor dependent children age 15 or younger may also be assigned a 36-month certification period if no household member has earnings or a child support deduction.

Note: If an individual who should be work registered is included in a household certified for 36-months then the certification period must be shortened per SNAP11660. A *Notification of Work Registration* (DCO-260) must be completed and issued to the household.

3320 Work Registration Priority

SNAP Manual 01/01/19

Work registration exemptions will be assigned in the following order:

1. Age.
2. Physically or mentally incapacitated.
3. Care of a dependent child under age 6 or an incapacitated person.
4. In receipt of unemployment compensation.
5. Participating in a drug addiction or alcoholic treatment program.
6. Employed or self-employed full time (30 hours or more).
7. A student enrolled at least half-time in any recognized school, training program, or institution of higher education. (The student must meet the student eligibility requirements.
8. Receiving TEA Cash Assistance.

EXAMPLE: A household member is age 62 and/or living with a Disability. The work registration exemption assigned is for age.

EXAMPLE: A household member who is receiving TEA cash assistance has a dependent child age 2. The work registration exemption assigned is for dependent care.

3400 Compliance with Work Registration

SNAP Manual 11/01/02

Work registrants must:

1. Respond to any request from a eligibility worker for information regarding employment status or availability for work;
2. Accept a bona fide offer of suitable employment at a wage not less than the higher of the applicable state or federal minimum wage.
3. Continue employment at a suitable job.
4. Avoid voluntarily reducing one's work effort to less than 30 hours per week (120 hours per month).

An individual who is exempt from work registration solely due to receipt of unemployment benefits (see SNAP 3260) and who fails to comply with comparable Department of Workforce Services (DWS) work registration requirements will be subject to sanction in the Supplemental Nutrition Assistance Program.

3401 Work Registration Violation

SNAP Manual 11/01/02

A work registration violation is:

1. Refusal, without good cause, to accept an offer of employment at a site or plant that is not subject to a strike or lockout at the time of the refusal at a wage not less than the applicable federal or state minimum wage; or
2. Refusal, without good cause, to provide sufficient information to allow a determination of employment status or job availability; or
3. Voluntarily and without good cause, reducing one's work effort to less than thirty hours per week; or
4. Voluntarily quitting a job without good cause within 30 days prior to the date of application or at any time while the individual who quit was participating in the Supplemental Nutrition Assistance Program.

3401.1 Special Instructions for Voluntary Quits

SNAP Manual 11/01/02

A voluntary quit is defined as the intentional departure of an employee from a suitable job without good cause. The voluntary quit provisions do not apply to changes in employment resulting from:

- Reducing hours of employment while working for the same employer;
- Resignations recognized by the employer as retirement;
- Termination of a self-employment enterprise; or
- Resigning at the demand of the employer.

3401.2 Verification of Voluntary Quit

SNAP Manual 11/01/02

When a loss of earned income is reported, the eligibility worker must verify the last date of employment and the last date of pay. Information provided by the household about the reasons for leaving employment must be verified if questionable.

The household has the primary responsibility for providing verification. However, in situations where it is difficult or impossible for the household to obtain the needed verification in a timely manner, the worker will provide assistance to the household. Acceptable sources of verification include the previous employer, employee associations, union representatives, grievance committees, or other organizations that represent employees who are aggrieved.

The worker may substitute collateral contacts as described in the Glossary under "Collateral Contacts" when documentary evidence cannot be obtained.

The household will not be denied access to the Program when the requested verification cannot be obtained due to the circumstances surrounding the quit. Examples of such situations are:

1. Resignation from employment as a result of discriminatory practices or sexual harassment;
2. Resignation due to unreasonable demands by an employer; or
3. Being unable to locate the employer.

The case record will be thoroughly documented to reflect all efforts by the household and the county office to obtain the needed verification.

3410 Sanctions

SNAP Manual 01/01/19

The following sanctions will apply to all work registration violations including voluntary quits and intentional work reductions:

First Violation: The individual who failed to comply without good cause will be disqualified from receiving SNAP benefits for one (1) month or until he or she becomes exempt from the work registration requirements.

Second Violation: The individual who failed to comply without good cause will be disqualified for six (6) months or until he or she becomes exempt from the work registration requirements.

Third Violation: The individual who failed to comply without good cause will be disqualified for twelve (12) months or until he or she becomes exempt from the work registration requirements.

The household's benefits may not increase as the result of a disqualification for a work registration violation. See SNAP 1623.2 for instructions on calculating a budget when there is a disqualified member. If all members are disqualified or if after sanctions are applied the household's income exceeds the maximum allowed for the eligible household members, the case will close.

3411 Good Cause

SNAP Manual 11/01/02

It is not possible to enumerate each individual situation that should or should not be considered good cause for a work registration violation. For this reason, the eligibility worker should consider all facts and circumstances including information provided by both the household and the employer when determining good cause. All facts and circumstances, including information submitted by the registrant involved and the employer, will be considered in determining good cause.

Good cause includes circumstances beyond the household member's control. Examples of good cause include but are not limited to:

- A household emergency,
- The unavailability of transportation,
- Lack of adequate child care for children between the ages of six and twelve, or
- Unsuitable employment.

3B3400 Compliance with Work Registration

Voluntary Quit

Under no circumstances will a work registrant be required to accept or be penalized for failure to accept or continue employment that is determined unsuitable. The case record must contain documentation of the reason the employment was determined unsuitable.

Employment will be considered unsuitable if:

1. The wages are less than the highest of:
    - The applicable Federal minimum wage; or
    - The applicable State minimum wage; or
    - 80% of the Federal minimum wage if neither the Federal nor State minimum wage is applicable.
2. The employment offered is on a piece-rate basis and the hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified above.
3. The registrant, either to be hired or to continue employment, is required to join, resign from, or refrain from joining any legitimate labor organization. This applies to situations where the prospective employer specifically prohibits membership, and also to situations where the registrant will not be able to retain his union membership if a nonunion job is accepted. A union member can be required to accept full-time, nonunion employment if he or she will not be dropped from the union rolls as a result or if he or she voluntarily drops his or her union membership.
4. The employment offer is located at a site subject to a strike or a lockout at the time of the offer. This does not apply when the strike has been enjoined under S208 of the Labor Management Relations Act (29 U.S.C. 78, commonly known as the Taft Hartly Act), or when an injunction has been issued under Section 10 of the Railway Labor Act (45 U.S.C. 160).

Any other employment offered to a particular registrant will be considered suitable unless a registrant can demonstrate, or the local office otherwise becomes aware that:

- The degree of risk to health and safety is unreasonable;
- The registrant is physically or mentally incapacitated (as established by documentary medical evidence or other documented and reliable information) to perform the employment;
- Employment offered within the first 30 days of registration is not in the registrant's major field of employment;
- The working hours or nature of employment interferes with the member's religious observances, convictions, or beliefs - e.g. a Sabbatarian could refuse to work on the Sabbath; or

- The distance between the registrant's residence and the place of employment is unreasonable considering the expected wage and the time and cost of commuting. In any case, employment will not be considered suitable if daily commuting time exceeds two hours per day not including the transportation of a child to and from a childcare facility. Employment is also considered unsuitable if the distance from the registrant's residence is not within reasonable walking distance and neither public nor private transportation is available.

When evaluating a voluntary quit, good cause may also be:

1. Acceptance of any bona fide offer of employment that subsequently fails to materialize.
2. Resignation of a household member when another household member accepts an offer of employment resulting in a need for the household to relocate.
3. Enrollment at least halftime in any recognized school, training program, or institution of higher education.
4. Any resignation recognized by the employer as retirement.
5. Discrimination by the employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs.
6. Work demands or conditions that render continued employment unreasonable such as, but not limited to, working without being paid on schedule.
7. Employment that becomes unsuitable, as defined above, after the acceptance of such employment.
8. Leaving a job in connection with a pattern of employment where a worker frequently moves from one employer to another – e.g., migrant farm labor or construction work.

There will be situations not specifically mentioned where the worker feels that there was good cause for a voluntary quit. In such situations the county office will seek a policy interpretation through the normal chain of command. All such situations will be documented in the case record.

3412 Applying Sanctions

SNAP Manual 1/01/99

When an eligible household member fails to comply with a work registration requirement while the household was participating in SNAP, the eligibility worker will complete the following steps.

Step 1: Determine if the household member is still subject to the work registration requirements. Use SNAP 3200 - 3300. If no, document in the case record.

Document any verification obtained if verification of the exemption is necessary. Take no additional action. No sanction will be applied. If yes, go to Step 2.

Step 2: Determine if the member had good cause for failure to comply. If yes, document the good cause in the case record. Take no additional action. No sanction will be applied. If no, then good cause exists. See SNAP 1623.2.

3413 Applying Sanctions at Voluntary Quit or Reduction of Work Hours

SNAP Manual 01/01/19

Whenever a loss of earned income is reported at initial application, reapplication, reported change, or on a semi-annual report the worker must determine if sanctions are to be applied. Sanctions may be applicable when a household member voluntarily quits a job within 30 days of the date of application or at any time while the individual is participating in the program.

NOTE: A federal, state or local government employee dismissed from a job as the result of a strike is considered to have voluntarily quit the job without good cause. Sanctions may be applicable when a household member voluntarily reduces his or her work effort to less than 30 hours per week.

Sanctions are also applicable when a voluntary quit or voluntary reduction in work hours occurs but is not reported in a timely fashion. This includes, but is not limited to the following instances:

- A voluntary quit or reduction in work hours occurs 30 days or less before the date of application, is not reported at application and is discovered after application approval.
- A voluntary quit or reduction in work hours occurs after the date of the application interview and is reported after the approval notice is issued.
- A voluntary quit or reduction in work hours occurs while the household is participating but is not reported in a timely fashion.

The following steps must be completed to determine if a voluntary quit has occurred and a sanction should be applied.

Step 1: Determine if the employment involved 30 hours or more per week or provided weekly earnings equivalent to the Federal minimum wage multiplied by 30 hours. If yes, go to step 2. If no, the household will not be sanctioned.

Step 2: Determine if the member who quit is between the ages of 16 and 60. If this member is less than age 16 or age 60 or older, a sanction will not be applied. If this member is between the ages of 16 and 59, go to step 3.

Step 3: Determine if the member who quit or reduced work hours is subject to the work registration requirements. Use SNAP 3200 - 3290. If this member was exempt from the requirements at the time the quit occurred (excluding the exemption for employment) or is presently exempt, no sanction will be applied. If the member who quit is subject to work registration, go to step 4.

Step 4: Determine if the quit or reduction in hours was for good cause. Use SNAP 3411. If yes, the member will not be sanctioned. If no, the member will be sanctioned. See SNAP 3420 for the applicable sanction.

The sanction will apply only to the individual or individuals who failed or refused to comply. Only if all individuals are sanctioned will the worker close the household's SNAP case. To sanction an individual household member, the worker must recalculate the household's budget as instructed in SNAP 1623.2.

3414 Applying Sanctions for Failure to Comply with DWS

SNAP Manual 06/01/05

NOTE: This policy will not apply in situations where DWS benefits are denied or suspended because a household member's employment was terminated by the employer. This policy will apply when a household member has failed or refused to meet a DWS requirement such as, but not limited to, failure to complete the mandatory job search.

When a worker becomes aware that entitlement to unemployment checks has been denied or terminated or that TEA cash assistance has been reduced or terminated, the following steps will be taken:

Step 1: Determine if the member was exempt solely due to receipt of unemployment benefits or TEA cash assistance. If the member is otherwise exempt from the work registration requirements, no action will be taken. (For example, a member responsible for the care of a dependent child aged 4 fails to comply with a TEA work requirement. Since the member is exempt under the dependent care provisions, no sanction will be applied to the SNAP household.) If not, go to step 2.

Step 2: If the member was exempt solely due to receipt of unemployment benefits or TEA cash assistance, determine if the registrant had good cause for failure to comply. (See SNAP 3411 for an explanation of good cause.) If the member had good cause for failure to comply, no action will be taken. If not, go to Step 3.

Step 3: If the member did not have good cause, sanction the member. See SNAP 1623.2.

3420 When to Impose a Sanction

SNAP Manual 10/01/03

At application, the sanction will be imposed effective with the month of application regardless of whether the application is approved. For a participating household, a notice of adverse action must be issued to the household prior to the imposition of a sanction. See SNAP 3430. Unless the household is in the last month of certification and has not been recertified, the sanction will be imposed beginning the month following the month in which the notice of adverse action expired.

EXAMPLE: A household is certified for July through December. On August 16, the eligibility worker becomes aware of a voluntary quit. On August 23, the worker issues a ten-day advance notice of adverse action expiring on September 2. The disqualification period will be October, November and December.

If a household is subject to semi-annual reporting (SR), and is in the sixth month of the certification period, the sanction will be imposed beginning the following month if possible. If the semi-annual report has been received but not processed when the worker learns of the noncompliance, the semi-annual report will not be processed until the ten-day period has lapsed. If the semi-annual report has already been processed, an advance notice of adverse action must be issued. The sanction will be imposed beginning the month following the month in which the notice of adverse action expired.

If the household is in the last month of certification and an application for recertification has not been approved, the sanction will be imposed for the first month of the certification period. This is true even when the household has not submitted an application for recertification.

EXAMPLE: A household is certified for July and August. On August 28, the worker becomes aware of a voluntary quit. On August 31, the worker approves the household's application for recertification but disqualifies the noncompliant member for the months of September, October and November. A manually issued *Notice of Action* (DCO-1) is used so the household may be advised of the disqualification.

3430 Notices

SNAP Manual 01/01/19

A notice must be issued to the household within 10 days of establishing that any participating household member failed or refused to comply with a work registration requirement without good cause,

The notice must be sent at least ten days before the effective date of the imposition of the sanction unless the household is in the last month of certification. If the household is in the last month of certification, the timing of the notice will depend on the case's status.

If the household has submitted an application for recertification that has already been approved, a ten-day advance notice of adverse action must be sent. If the household has submitted an application for recertification that has not yet been approved, the sanction will be imposed before action is taken on the application and a *Notice of Action* (DCO-1) manually issued to explain the effects of the sanction. Even if no application has been submitted, a DCO-1 must be issued to the household to explain the sanction period and the effects of the sanction.

If the household is composed entirely of noncompliant members, the notice will specify:

1. That the entire household is being sanctioned;
2. Why the household is being sanctioned;
3. When the sanction will be imposed;
4. The months to be included in the sanction; and
5. Any action which the household may take to avoid the sanction. (See SNAP 3441.)

If only the individual who failed to comply is to be sanctioned, the notice will specify:

1. That only one member is being sanctioned;
2. Why this member is being sanctioned;
3. How this sanction will affect the household's SNAP benefit amount (See SNAP 1623.2);
4. When the sanction will be imposed;
5. The months to be included in the sanction; and
6. Any actions which the member may take to avoid the sanction.

3440 Avoiding or Ending a Sanction

SNAP Manual 01/01/19

A disqualification due to failure to comply with a work registration requirement may be avoided or ended if the individual becomes exempt from work registration. A list of actions that cause

disqualification is shown below. Also shown is the action which the individual may take to avoid the disqualification.

3441 Ending a Sanction When Household Composition Changes

SNAP Manual 01/01/19

See SNAP 3520 for an explanation of the sanctions imposed for a work registration violation.

If a sanctioned member leaves a household, the member's income and/or resources will be dropped from the original household's SNAP budget. The member who refused or failed to comply continues to be sanctioned. If he or she joins another household, he or she will remain sanctioned for any months remaining in the original sanction period. See SNAP 1622.2 for instructions on handling the income and resources of ineligible household members.

3442 Reestablishing Eligibility

SNAP Manual 01/01/19

After the sanction has ended, eligibility may be re-established. A sanctioned household member may be permitted to resume participation effective the month following the last month of the sanction if otherwise eligible. A sanctioned individual may be permitted to resume participation during the sanctioned period (if otherwise eligible) by becoming exempt from work requirements.

At the beginning of the last month of the sanction, the worker will issue a DCO-1 to the household. The household will be advised to contact the worker to clarify the sanctioned member's current status and/or to be work registered before the member can be re-added. If the requested information is not provided by the last day of the last month of the sanctioned period, the member will not be re-added. The worker will shorten the household's certification period as instructed in SNAP 11341.

3500 The SNAP Requirement to Work (RTW)

SNAP Manual 01/01/19

Unless exempt, Able Bodied Adults Without Dependents, or able-bodied adults, are ineligible to receive SNAP benefits if, during a designated 3 year period, they received SNAP benefits for at least three months (consecutive or otherwise) while they did not:

- Work at least 20 hours per week (or an average of 80 hours a month); or
- Participate in and comply with a Workforce Investment Opportunities Act (WIOA) Program (see Note 1 below); or
- Participate in a SNAP Employment and Training (E&T) Program 20 hours per week (or an average of 80 hours a month unless the individual is assigned to Work Experience (see Note 2 below); or
- Participate in an Employment and Training Program, other than a job search or job search training program, operated or supervised by the State or political subdivision of the State that meets standards approved by the Governor. The program may contain job search or job search training as a subsidiary component as long as such component is less than half the requirement; or
- Participate in and comply with a Workfare Program (see Note 2 below); or
- Participate at least half-time (as defined by the program) in a recognized refugee training program approved, funded, or operated by the Office of Refugee Resettlement (ORR) under section 236 of the Trade Adjustment Act of 1974.

NOTE 1: WIOA is a qualifying component for an Able-Bodied Adult, therefore if the individual is participating in any WIOA component, he or she is considered to meet the RTW.

NOTE 2: For E&T Work Experience and Workfare Programs, the household's obligation of work hours required to meet the RTW will be calculated by dividing the household's authorized monthly SNAP benefit amount (before recoupment) by the current state or federal minimum wage, whichever is greater. Fractions are rounded down

EXAMPLE: The household receives $194 monthly SNAP benefits.
194 ÷ $8.50(**2017 State Minimum Wage**) = 22.82
The individual needs 23 hours **per month** to meet the RTW rather than 80.

An individual who is self-employed and actually works at this enterprise for an average of 80 hours per month or more, meets the RTW. There is no requirement that the self-employment

enterprise show a profit. The decision of whether an individual is self-employed will be made on a case-by-case basis. See SNAP 5516 for general explanation of what a self-employment enterprise is. When an individual declares that he or she is self-employed but maintains no records of his or her income and expense, the eligibility worker may ask for some type of collateral verification. For example, if an individual claims to be self-employed collecting and selling cans, the household may be asked to furnish a collateral contact from the company or person who buys the cans.

The definition for working in order to meet RTW means:

- Work in exchange for money or
- Work in exchange for foods or services or
- Unpaid work, verified under the standards established by the State agency and or
- Any combination of the above.

An individual who is employed by a company or another individual must be compensated although there is no minimum wage amount the individual must earn. An individual who receives in-kind benefits for work is considered to be compensated.

EXAMPLE: An individual works 20 hours each week in a coin laundry. In return, the individual is allowed to live in an apartment above the laundry free of charge. This person meets the RTW.

Anyone who is currently employed by a company or an individual and who annually works at least 80 hours per month has complied with RTW. This includes people whose work is seasonal, those who cannot work due to extended periods of bad weather and school employees who do not work in the summer or other periods of school vacation.

3501 Waivers

SNAP Manual 01/01/17

The state of Arkansas is currently not under a waiver and RTW applies as of January 1, 2016. The Department of Agriculture, Food and Nutrition Service, may grant permission for the states to waive the SNAP (RTW) in certain areas where the current unemployment rate is higher than 10 percent.

3502 RTW Exemptions

SNAP Manual 01/01/2024

3502.1 Exemptions from RTW

The following individuals are exempt from the RTW:

1. Anyone age seventeen (17) or younger.
2. Anyone age fifty-two (52) or older.
3. Anyone Medically certified as physically or mentally incapacitated for employment. This includes any individual who:

    - Meets the definition of an individual living with a disability; or
    - Receives services through Arkansas Rehabilitative Services; or
    - Receives Worker's Compensation or sick pay benefits; or
    - Found to be disabled through a decision of the Medical Review Team (MRT); or
    - Provides a statement from a physician, licensed psychologist or other licensed healthcare provider indicating the cause of the disability and anticipated duration of the disability. A statement that does not provide the anticipated duration of disability may be accepted but will be valid no longer than four (4) months.
4. An individual has a dependent child under eighteen (18) years old residing in the SNAP household. If there is a dependent child under age eighteen (18) residing in the SNAP household with the able-bodied adult, then all adults are exempt. Parental control has nothing to do with this exemption
5. Anyone who is pregnant. This exemption covers all trimesters of pregnancy. If the pregnancy is not obvious, verification may be requested from a medical professional such as a physician, a certified nurse midwife or an employee of the Health Department.
6. Homeless Individuals.
7. A Veteran- an individual who served in any branch of the military for any length of time with any type of discharge status.
8. Individuals who are twenty-four (24) years of age or younger and who aged out of foster care under the responsibility of a state.
9. Is otherwise exempt from work registration as outlined at SNAP 3200.

3502.2 Discretionary Exemptions

SNAP Manual 01/01/2024

FNS provides for each State Agency an allotted number of discretionary exemptions equal to eight percent (8%) of the State's SNAP participation caseload. The State Agency may use these exemptions to extend SNAP eligibility to individuals who are no longer eligible to participate in SNAP due to the three (3) month Able-Bodied Adult RTW time limit. Discretionary exemptions are granted to one able-bodied adult for one (1) month. The decision to exempt an individual from RTW must be documented in the case record.

The Division of County Operations (DCO) is required to track and report the number of discretionary exemptions used each quarter via the FNS-583 form. The report must include the total number of exemptions used and the name of the individual that was granted the exemption. Discretionary exemptions do not expire and any unused exemptions from the previous fiscal year can carry over from year to year.

3502.3 Assignment of Discretionary Exemptions

SNAP Manual 01/01/2024

Discretionary exemptions allow certain individuals an opportunity to establish or to re-establish themselves into the community, Discretionary Exemptions may be assigned to the following groups:

- Individuals who are currently in Foster Care
- Individuals who are in Domestic Violence Shelters.

Individuals who are currently in Foster Care or Domestic Violence Shelters may be exempt from the RTW until they exit Foster Care or the Domestic Violence Shelter.

3503 Able Bodied Adult Work Requirements and SNAP Work Requirement

SNAP Manual 01/01/17

SNAP participants who are not specifically exempted by law are subject to work requirements as a condition of eligibility. Able bodied adults are a subset of this population and must meet additional requirements in order to continue receiving SNAP benefits beyond the 3-month time limit. Able bodied adults must meet all the general SNAP work requirements (like registering for work and not voluntarily quitting a job) as well as the additional requirements for able bodied adults. The table below compares general SNAP work requirements to the additional responsibilities placed only on able bodied adult participants.

4B3500 The SNAP Requirement to Work (RTW)

Voluntary Quit

	General SNAP Work Requirements	Additional Able Bodied Adult Work Requirements
The Work Registration requirement or the RTW does not apply to SNAP participants who are:	Under the age of 16 or over the age of 60; Physically or mentally disabled; Complying with the work requirements of another program; Responsible for a child under the age of six; Already working more than 30 hours per week; Participating in a drug or alcohol rehab program; Students enrolled at least half time	Exempt from general SNAP work requirements; Age 17 or younger or age 50 or over; Living in a household with a child aged 17 or younger; Physically or mentally incapacitated for employment; Pregnant
Activities that meet the requirements are:	Register for work; Participate in a SNAP E &T program to the extent required (up to 120 hours); Participate in workfare if assigned; Accept suitable employment if offered; and Do not voluntarily quit a job of 30 or more hours a week or reduce work effort to less than 30 hours per week	Working an average of 20 hrs./week (or an average of 80 hours per month); Participating in a work program for 20 hrs./week (or an average of 80 hours per month); Combination of working and participating in a work program for 20 hrs./week (or an average of 80 hours per month); or Participating in a workfare program
The penalty for failure to comply with the requirements is:	Ineligible for SNAP benefits anywhere from one month to 12 months depending on the number of occurrences (see SNAP 3410)	Ineligible for SNAP for the remainder of a 36-month period after exhausting the 3-months of time limited eligibility. Unless an exemption or work requirement is met.

3510 Establishing the RTW 3 Year Compliance Period

SNAP Manual 01/01/16

The 3-year RTW compliance period must be established for each SNAP recipient unless the individual is exempt (see SNAP 3502). Once established, the 3-year RTW compliance period runs continuously regardless of whether the individual participants in the Supplemental Nutrition Assistance Program.

3511 3 Year Compliance Period

SNAP Manual 01/01/17

The state has elected to use a fixed time period of 3 years. The 3-year period will start on January 1, 2016, and runs continuously for 3 years even if there are breaks in the individual's SNAP participation. At the end of the 3-year period, the count is reset, and a new compliance period will begin.

Example 1: An individual applies for SNAP on January 4, 2016. His 3-year compliance period began on January 1, 2016, and runs continuously through December 31, 2018 (3 years). A new 3- year compliance period will begin on January 1, 2019.

Example 2: An individual applies for SNAP on May 18, 2018. Her 3-year compliance period began on January 1, 2016, and runs continuously through December 31, 2018 (3 years). A new 3- year compliance period will begin on January 1, 2019.

3512 Countable Months

SNAP Manual 01/01/17

A countable month is any month in which an able-bodied adult receives a full month of SNAP benefits. Any months that a household received partial month's benefits including prorated and retroactive benefits, unless the retroactive months are not prorated, are not included in the 3-month requirement. State Agencies must track countable months over the 3-year period even if there are breaks in an able bodied adult's participation.

EXAMPLE: John applies for SNAP on January 2, 2016. He received SNAP benefits for January. Since January was a partial month, it will not be counted as a participating month for RTW purposes. The 3 month count for John begins February 2016 and ends April 2016.

Beginning May 2016, John is no longer eligible for SNAP benefits since he has received 3 full months of benefits without meeting an exemption. He will

remain ineligible until December 31, 2018, unless he later meets an exemption or can reestablish eligibility by meeting the RTW.

The following Chart provides explanation of John's RTW Status:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	P	M1	M2	M3	I	I	I	I	I	I	I	I
2017	I	I	I	I	I	I	I	I	I	I	I	I
2018	I	I	I	I	I	I	I	I	I	I	I	I

W = Working at least 20 hours; **ET** = Participating in qualifying work activity; B1, B2, B3 = Bonus months; **M1, M2, M3** = Countable month; **N** = Not participating in SNAP; **I** = Ineligible for SNAP because able bodied adult is not meeting work requirements and has used countable months. **P**=Partial month of benefits. **EX** = Exemptions.

EXAMPLE: It's now July 2017 and John reapplies for SNAP benefits. We discover that he has a temporary disability due to a surgery he had earlier this month. His doctor provided a statement that he will be able to return to work on October 1, 2017.

Since John now meets an exemption due to a disability, he will be able to receive SNAP benefits for July-August-September-October 2017 (he will become ineligible the month after it has been established that the disability has ended). John will not be eligible for SNAP benefits again until January 2019 because he has already exhausted his 3 months out of 36 months based on the date established back in January 2016. He could only be eligible before January 2019 if he meets another RTW exemption or complies with the RTW.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	P	M1	M2	M3	I	I	I	I	I	I	I	I
2017	I	I	I	I	I	I	EX	EX	EX	EX	I	I
2018	I	I	I	I	I	I	I	I	I	I	I	I

W = Working at least 20 hours; **ET** = Participating in qualifying work activity; B1, B2, B3 = Bonus months; **M1, M2, M3** = Countable month; **N** = Not participating in SNAP; **I** = Ineligible for SNAP

because able bodied adult is not meeting work requirements and has used countable months. **P**=Partial month of benefits. **EX** = Exemptions.

For individuals who have been living in another state, the RTW compliance period will be the same as if they were residing in the State of Arkansas. Their participation in SNAP in the state in which they resided will have to be verified before the individual is certified to receive SNAP benefits in Arkansas. This applies regardless of whether the individual received or did not receive SNAP benefits. It also applies to individuals who previously lived in Arkansas and had a 3-year period established during the previous Arkansas residency.

EXAMPLE 1: Sally lived in Hawaii until June 13, 2016, then she moved to Arkansas and applied for SNAP. She received SNAP benefits in Hawaii for the months of January, February and March 2016 and was subject to the RTW in Hawaii and met no exemptions. Since Sally already received 3 months of benefits from another state while not meeting an exemption, she is not eligible for SNAP in Arkansas until she meets an RTW exemption, complies with RTW, or a new 3-year compliance period begins.

EXAMPLE 2: Bob lived in Arkansas January through June 2016 and received SNAP benefits. He was subject to the RTW and had a 3-year compliance period established beginning January 1, 2016. He received 3 countable months for January through March 2016. Bob moved out of the state and returned in July 2017. He applied for SNAP benefits and does not meet the RTW or any exemption. Since Bob has already received 3 months in the 3-year compliance period, he will not be eligible until he does meet the requirement or an exemption or the compliance period ends.

For individuals added to existing SNAP cases, the caseworker will have to check for any previously countable months within the current 3-year compliance period before the individual may be added to the existing SNAP case. If an individual moves from one household to another, any countable months within the current compliance period will move with the individual.

The Chart below describes when to begin considering the 3 countable months when an exemption changes or when an individual is added to an existing SNAP case.

Situation	RTW Compliance Period
Individual turns 18.	The month after the 18th birthday.
Individual's dependent turns 18 or all dependent children leave the home.	The month after the child turns 18 or leaves the home.
Individual no longer disabled.	The month after it has been established that the disability has ended.
Woman no longer pregnant but there is not a dependent child in the home.	The month after the woman becomes able to work.

Any period of participation in SNAP while an individual is exempt from the RTW will not count toward the individual's three-month participation limit. However, once a 36-month compliance period has been established it runs continuously regardless of whether the individual later becomes exempt from the RTW and then loses that exemption.

EXAMPLE: On May 25, 2017, Sara applies for SNAP. Sara's 3-year compliance period begins on January 1, 2016. Her application is approved the same day and she receives a prorated benefit amount for May, therefore May does not count toward her 3 months in 3 years count. In July 2017, she reports that she is pregnant, and she meets an exemption. In August 2017, she reports that she miscarried, and she is released to return to work for September 1, 2017. Sara no longer meets an exemption, and she is not meeting the RTW. Sara used 1 month in June 2017. She was exempt for July and August and used two months in September and October. Unless Sara becomes eligible by meeting an exemption or complying with the RTW she will not be able to participate in SNAP again until January 1, 2019.

The following Chart provides explanation of Sara's RTW Status.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	N	N	N	N	N	N	N	N	N	N	N	N
2017	N	N	N	N	P	M1	EX	EX	M2	M3	N	I
2018	I	I	I	I	I	I	I	I	I	I	I	I

W = Working at least 20 hours; **ET** = Participating in qualifying work activity; B1, B2, B3 = Bonus months; **M1, M2, M3** = Countable month; **N** = Not participating in SNAP; **I** = Ineligible for SNAP because able bodied adult is not meeting work requirements and has used countable months.

P=Partial month of benefits. **EX** = Exemptions.

3520 Establishing Good Cause

SNAP Manual 01/01/17

If an able-bodied adult's circumstances change, that potentially causes them to lose their eligibility, good cause must be determined. The eligibility worker should consider all facts and circumstances including information provided by both the household and or the employer when determining good cause.

- If the individual would have worked 20hrs/week (or an average of 80 hours per month) but missed work for good cause, the individual shall be considered to have met the work requirement if the absence from work is temporary and they intend to return to work.
- Good cause includes circumstances beyond the household member's control, such as, but not limited to illness, household member illness requiring the presence of the member and or household emergency or the unavailability of transportation. The individual is considered to have met the work requirement if the circumstance is temporary and they intend to return to work, including lack of transportation.

Good cause will be determined on a case-by-case basis.

3530 Disqualifying Individuals Who Fail to Comply

SNAP Manual 01/01/17

At application, at recertification, or when processing a semi-annual report or reported change, the eligibility worker must evaluate the Requirement to Work (RTW) status of all nonexempt household members. See SNAP 3502 for an explanation of RTW exemptions. Any nonexempt member who has participated in the Supplemental Nutrition Assistance Program for three months, consecutive or not, since the beginning of 3-year RTW compliance period without meeting the RTW will be ineligible to participate in the Supplemental Nutrition Assistance Program.

If the individual who is disqualified due to failure to comply with the Requirement to Work (RTW) is the only household member, the SNAP case will be closed. If other household members remain eligible, the instructions in SNAP 1623.2, items 1-3, will be used to determine the household's monthly SNAP benefit amount. The disqualification will continue until the end of the designated 3-year period or until the member regains eligibility. See SNAP 3520 - 3530.

3531 Evaluating Whether to Impose a Penalty

SNAP Manual 01/01/17

The following checklist may be used to evaluate whether a penalty must be imposed against an individual for failure to comply with the Requirement to Work (RTW).

Step 1: Identify RTW/Able Bodied Adult Individuals:
Use the checklist below to help determine RTW/Able Bodied Adult Status for each household member between and including the ages of 18-49 (members aged 17 or younger or 50 or older are not subject to RTW or the time limit or any penalty):

If a "**YES**" is answered to any of the questions below, that individual is exempt from the RTW, and no penalty should be imposed.
❒ Is this individual exempt from normal Work Registration Requirements? (See SNAP 3200)
❒ Is there a child in the SNAP household age 17 or under?
❒ Is this individual mentally or physically unable to work? (If so, ask for a statement from a healthcare provider.)
❒ Is this individual pregnant?

The individual is also exempt if he/she is already meeting one of the work requirements below.

If the answer to any of the questions below is "**YES**," the individual meets the RTW, and no penalty should be imposed.

❒ Is this individual already working at least 80 hours per month?
❒ Is this individual participating in a work program for at least 80 hours per month?
❒ Is this individual doing a combination of work and a work program at least 20 hours per week (or an average of 80 hours/month)?

If none of the above are checked, then the individual and he or she has already received the 3 countable months. Go to Step 2:

Step 2: Impose the Penalty and notify the household.

3532 Notices

SNAP Manual 01/01/17

If any member is disqualified for failure to comply with the RTW, the household will be notified via a DCO-1 Notice of Action and the notice will include:

- Why the member has been disqualified;
- How the member may comply with the RTW;
- That the household must advise the county if this member complies with the RTW;
- Who is exempt from the RTW; and
- That the household must advise the county if this member becomes exempt from the RTW.

If any member is disqualified presumptively, the household will also be notified via a DCO-1 Notice of Action and the notice will include:

- When the disqualification will be imposed; and
- That the disqualification may be avoided if the household member complies with the RTW or becomes exempt from the RTW before the specified date.

3540 Regaining Eligibility

SNAP Manual 01/01/19

Individuals who have used their 3 countable months may regain eligibility at any time by:

- Verifying that he or she will meet one of the requirements: 80 hours, participate in a work program, a combination of the first two, or will meet an exemption within the 30 days subsequent to application. The client must verify that they will meet the requirement, or the 3-year periods ends.

SNAP eligibility may be regained for an additional three countable Bonus months (months must be consecutive) if during a 30-day period the individual has 80 hours of work within a 30-day period.

3540.1 Meeting an Exemption

Individuals who have used their 3 countable months may regain eligibility at any time by meeting an exemption from the RTW. See SNAP 3200 for a list of individuals who are exempt from RTW.

3540.2 Three Consecutive Bonus Months

Individuals who have already received 3 countable months may regain eligibility if during any 30 consecutive day period he or she worked 80 hours or more. The individual must meet the following criteria in order to receive bonus months:

- The Able-Bodied Adult must have gained eligibility but is no longer fulfilling the work requirement.
- If the individual was working, the consecutive 3 months must start when the participant notifies the State agency that he or she is no longer meeting the Requirement to Work.
- If the individual was participating in a work program or workfare program, the consecutive 3 months must start when the State determines the Able-Bodied Adult is no longer in compliance.
- The Able-Bodied Adult must not have received an additional 3 consecutive months more than once in the same 3-year period.

The 3 additional months must be used consecutively.

Example: Bill applied for SNAP on October 10, 2016, and is determined expedited. October is not a countable month since he only received a partial benefit amount.

On 11/3/2016 Bill is recertified however; he reports he is now working 20 hours/week making minimum wage/hr. Since he meets RTW then he will be eligible to participate in SNAP.

In February 2017, Bill's case closes because he failed to complete his recertification. He reapplies for SNAP on July 2, 2017, and reports that he is no longer working and meets no other exemption. Bill receives a partial month of benefits in July and full benefits for August-September-October. He has received his 3 countable months as of October 2017. However, he's eligible for 3 consecutive bonus months of November, December and January because he had 80 hours of work for 30 consecutive days within the compliance period. His case will close effective February 2018 and he will be ineligible until January 2019 unless he complies with the RTW or meets an exemption.

The following Chart provides explanation of Bill's RTW Status:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	N	N	N	N	N	N	N	N	N	P	W	W
2017	W	W	N	N	N	N	P	M1	M2	M3	B	B
2018	**B**	**I**	**I**	**I**	**I**	**I**	**I**	**I**	I	**I**	**I**	I

W = Working at least 20 hours; **ET** = Participating in qualifying work activity; B1, B2, B3 = Bonus months; **M1, M2, M3** = Countable month; **N** = Not participating in SNAP; **I** = Ineligible for SNAP because able bodied adult is not meeting work requirements and has used countable months. **P**=Partial month of benefits. **EX** = Exemption; **B**=3 Consecutive Months Bonus

3540.3 Qualifying Work Activity

The household must notify the county office when a disqualified individual goes to work or otherwise meets RTW. The household is the primary source of information about any member meeting RTW. The worker must determine compliance within 10 days from the date of the reported change. If the individual has complied with the RTW or has met an exemption, then the individual will be added back to the case.

If during a 30-day period, the individual has:

- Worked at least 80 hours per month; or
- Participated in and complied with a Workforce Investment Opportunity Act (WIOA) Program 80 hours per month; or
- Participated in a SNAP Employment and Training (E&T) Program.
- Participated in and complied with a Workfare Program; or
- Participated and complied with a program under section 236 of the Trade Adjustment Act of 1974 at least half-time (as defined by the program) in a recognized refugee training program approved, funded, or operated by the Office of Refugee Resettlement.

NOTE: If an individual is participating in a Workforce Investment Opportunity Act Program (WIOA), then he/she is considered to be meeting the RTW regardless of the number of hours he/she is completing.

EXAMPLE: Judy applied January 3, 2016, and received SNAP for January. She participated in a qualifying RTW activity for February, March and April and reported she went to work in May and worked thru August 16. She did not participate September thru December 16. She reapplied on January 15, 2017, and received a partial month of benefits for January. January did not count as one of her 3 months. She received February, March and April which counted as her M1, M2 & M3. We verify that she had 80 hours of work within 30 days back in May through August 2016, so she is eligible for 3 consecutive Bonus Months for May-July 2017. She is ineligible effective September 2017 until January 1, 2019, unless she meets an exemption or she participates in RTW.

She reapplies on November 4, 2017, and she verifies that she has participated with a WIOA (Workforce Innovation and Opportunity Act) program through DWS for the past 30 days. Judy becomes eligible at application and may participate as long as she complies with RTW.

The following chart provides explanation of Judy's RTW status.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Year 1	P	WIOA	WIOA	WIOA	W	W	W	W	N	N	N	N
Year 2	P	M1	M2	M3	B1	B2	B3	I	I	I	WIOA	WIOA
Year 3	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA	WIOA

W = Working at least 20 hours; **ET** = Participating in qualifying work activity; **M1, M2, M3** = Countable month; **B1, B2, B2** = Bonus months; **N** = Not participating in SNAP; **I** = Ineligible for SNAP because able bodied adult is not meeting work requirements and has used countable months; **P**=Partial month of benefits. **EX** = Exemptions. **WIOA**=Workforce Innovation and Opportunity Act

3600 SNAP E&T Programs

SNAP Manual 01/01/17

The Food and Nutrition Act of 2008 requires all states to operate an Employment and Training (E&T) Program to assist eligible recipients in obtaining skills necessary in order to gain employment. In Arkansas, SNAP recipients who are subject to the requirement may participate in a SNAP Employment and Training (E&T) Program operated by various E&T Providers throughout the State. Participation in the SNAP E&T Program is voluntary. No individual will be penalized for failure or refusal to participate in the SNAP E&T Program.

Clients who are referred to the E&T Program may participate in one or more of the following components:

Independent Job Search – Participants make a pre-determined number of inquiries to prospective employers over a specified period.

Job Search Training – Participants undergo a job skills assessment. Resume development, interview coaching and job leads may be provided. Skills testing may be conducted. Participants may be provided employment counseling, motivational techniques, and effective job search method and instructions in a group setting. Participants may be assigned an employment counselor or case manager who works with the participant on a one-to-one basis.

NOTE: Placement in Independent Job Search and Job Search Training are not qualifying components on their own and must not be combined to meet total hours needed to meet the E&T requirement. Each can only account for less than half the total hours needed to meet the requirement for able bodied adults.

Education – Participants may be enrolled in education programs or activities designed to help the participant improve basic skills including reading and math, acquire a high school diploma or GED, learn the English language, or gain occupational skills including but not limited to work keys and self-guided computer-assisted learning programs. Participants may also be enrolled in programs such as, but not limited to, certified nursing assistant training or post-secondary vocational training.

NOTE: Placement in a post-secondary component is limited to 24 months.

Work Experience– Participants participate in unpaid or subsidized work experience or on-the-job training to prepare them for unsubsidized employment.

On the Job Training—Participants receive training that provides knowledge or skills pertaining to a specific job. Under OJT, participants can be hired by a private or public employer and will be paid at the same rate as other employees performing the same or similar jobs.

Job Retention—Participants who find employment, which makes them ineligible for the E&T program, will be placed in the Job Retention Component for a period of ninety days commencing when employment is verified and be eligible for the services outlined in SNAP 3632.

3610 Registration

SNAP Manual 10/01/03

Work registration of SNAP recipients is completed at initial certification and at each recertification when the SNAP application form is signed. Registration must also occur at the time of a reported change, semi-annual report, or recertification when a member of an active case loses an exemption. Household members subject to the work registration requirement will be notified via a *Notification of Work Registration* (DCO-260).

3610.1 Establishing If E&T Is Appropriate

SNAP Manual 01/01/2024

The State agency is responsible for screening each work registrant to determine whether or not it is appropriate to refer the individual to the E&T program. If the State agency determines the individual is required to participate in an E&T program, the State agency must provide the participant with the written notice and the comprehensive oral explanation. The State agency must refer participants to E&T and all participants must receive both case management services and at least one (1) E&T component while

participating in the program. The State agency must determine the order in which the participant will receive the elements of an E&T program. The State agency must explain to the participant's next steps for accessing the E&T program. If there is not an appropriate and available opening in an E&T program, good cause for non-participation will be assigned.

3620 E&T Program Referral

SNAP Manual 01/01/24

All SNAP recipients who are subject to the Requirement to Work (RTW) will be referred to the E&T Program. This includes all able-bodied adults without dependents who are not employed at least eighty (80) hours per month.

- Specifically, able-bodied adults, age eighteen (18)- forty-nine (49)
- Age eighteen (18) – fifty (50) effective 09/01/2023
- Age eighteen (18) – fifty-two (52) effective 10/01/2023
- Age eighteen (18) – fifty-four (54) effective 10/01/2024
- Age eighteen (18) – fifty-five (55) effective 10/01/2025

These individuals will be systematically referred to the E&T Program unless one of the following seven (7) conditions are met:

1. The able-bodied adult resides in the same SNAP household with a minor age seventeen (17) or younger; or
2. The able-bodied adult is a pregnant woman; or
3. The able-bodied adult is working twenty (20) hrs. per week (or an average of eighty (80) hours per month); or
4. The able-bodied adult is otherwise exempt from the work registration requirements of SNAP 3100; or
5. Homeless Individuals; or
6. A Veteran an individual who served in any branch of the military for any length of time with any type of discharge status; or
7. Individuals who are twenty-four (24) years of age or younger and who aged out of foster care under the responsibility of a state.

5B3600 SNAP E&T Programs

Voluntary Quit

An ABAWD may be otherwise exempt if he or she cares for an incapacitated person of any age, receives unemployment benefits, participates in a substance abuse treatment and rehabilitation program, or attends a school or an institution of post-secondary education on at least a half-time basis.

See SNAP 3500, item 3 for a definition of an individual with disabilities as applicable to the RTW.

Volunteers: Any other household member who is subject to the Supplemental Nutrition Assistance Program work registration requirements of SNAP 3100 may be referred to the E&T Program as a volunteer unless he or she receives TEA or Unemployment benefits.

Referrals will be made at application (initial and recertification) and reported change. Referrals will also be made at reported change if a household member has become subject to the requirement to work (RTW).

A *Notification of Work Registration* will be given to the household to serve as the registrant's written explanation and to explain the E&T Program to the registrant. The written explanation does not relieve the agency of the requirement to provide an oral explanation at interview.

3621 Automated Referrals

SNAP Manual 01/01/19

DHS provides the E&T Provider a system-generated list of able-bodied adults who are subject to the requirement to work (RTW) each week. E&T referrals occur at certification, recertification and reinstatement of SR cases. Household members with the work participation code "Mandatory – SNAP" are selected for automated referral if none of the following General Client Characteristics were selected:

- Felony Drug Conviction, Fleeing Felon, Fraud-IPV Conviction, Ineligible Student, Parole Violator, or Probation Violator;
- The member status code is "Active";
- No disability indicator has been selected for the member;
- The member is at least age 18 but no older than age 49; and
- There are no household members aged 17 or younger.

DCO county office workers must use the proper characteristic for work registrants who are not subject to the RTW. The characteristics to be used are shown in following chart:

Work Participation Characteristic	***Description***
RTW 50-60 yrs old **Indicates a mandatory work registrant who is not subject to the RTW.**	• Use this characteristic in all counties. • Use this characteristic for work registrants who are at least age 50 but no older than age 59. • They are not subject to the RTW. They are not automatically referred to the E&T Provider
RTW 15% Exemption **Indicates a mandatory work registrant who is subject to the RTW but is granted an exemption.**	• Use this characteristic for able bodied adult work registrants who are granted a 15% Personal Exemption from the RTW. • 15% Personal Exemptions are assigned by priority and on a case by case basis
RTW-Pregnant Woman **Indicates a mandatory work registrant who is exempt from the RTW**	• Use this characteristic to exempt a woman from the RTW due to pregnancy (regardless of trimester).
SNAP/RTW-Work 20 no 30 hrs **Indicates a mandatory work registrant who is subject to the RTW but exempt due to employment.**	• Use this characteristic in all counties. • Use this characteristic for a work-registrant who is working at least 20 hours per week but less than 30 hours per week.
RTW – Minor Child in the SNAP HH **Indicates an able bodied adult who is**	• This characteristic is to be used to exempt an able bodied adult when he or she resides in the same SNAP

subject to the RTW but is exempt because he or she lives in a SNAP HH with a minor child regardless of dependency of the minor on the individual.	household with a minor child regardless of the child's dependency or relationship to the able-bodied adult.
Mandatory SNAP **Indicates that an individual is subject to the RTW but not participating in an E&T Program.**	• This code should be used when an individual meets no Work Registration or RTW exemptions. • These individuals are automatically referred to the E&T Program in E&T counties.
RTW/Workfare **Indicates that an individual subject to the RTW is participating in and complying with Workfare.**	• This code is to be used when an individual is assigned to Formal Workfare or is participating in an Comparable Workfare position.
SNAP E&T Participating **Indicates that an individual is participating in and complying with an E&T Program.**	• This code is used to show that an individual is participating and complying with a SNAP E&T Program.

The E&T Provider will be provided a list of referrals containing the following information about each household member selected as a Mandatory – SNAP referral:

- Member Name
- Member SSN
- Casehead Name
- Casehead SSN
- Address
- Telephone Number (If available)
- Beginning month in certification period
- Ending month in certification period
- Total by county

Each County Office will be provided a list of the Mandatory - SNAP

A list of individuals who are no longer Mandatory - SNAP referrals will be provided to each E&T Provider. This list will be compiled by comparing the list of current SNAP recipients to the current file of E&T referrals. If a member who was a mandatory referral no longer appears on the list of current SNAP recipients OR a member no longer meets the criteria to be a mandatory referral, that member will be listed as an "E&T Closure" on the list of closures. This information will appear on the list of closures:

- Member SSN

- Casehead Name
- Casehead SSN
- Beginning month in certification period
- Ending month in certification period
- Total by county

The report will be provided to the Supplemental Nutrition Assistance Program Section and to the DHS County Office.

3621.1 County Office Responsibilities

SNAP Manuel 8/1/05

The E&T Provider will not be reimbursed for costs incurred by an E&T Program participant who is no longer participating in the Supplemental Nutrition Assistance Program. Therefore, it is extremely important that the E&T Provider be notified when a SNAP case containing an E&T Program participant is closed because the household is ineligible, because the semi-annual report was not processed, or for any other reason. A list of closures is provided to the E&T Provider as described in SNAP 3621. The following changes must be reported to the E&T Provider:

- Address changes must be reported if a household member is participating in the E&T Program and the household reports the address change during the household's certification period. (This includes address changes reported on the semi-annual report.)
- Changes in household composition must be reported if an E&T Program participant, either a mandatory referral or a volunteer, is dropped from an active case during a certification period. (This includes individuals whose status is changed from an eligible to an ineligible member due to disqualification, etc.)

The DHS eligibility worker will use the *Employment and Training Program Routing Form* (DCO-205) to notify the E&T Provider within 10 days of these changes.

DHS eligibility workers must continue to **manually** refer the following individuals to the E&T Provider:

- Able bodied adults added to a SNAP case as the result of a reported change including those changes reported on the Semi-Annual Report.
- Able bodied adults who live in a household that contains a minor household member if the individual choses to volunteer. During the automated referral selection process,

these members are bypassed and will not be automatically referred to the E&T Program. The worker must do this manually.

Any SNAP recipient who is work registered but not classified as an able-bodied adult may participate in the E&T Program as a volunteer. For example, a parent of a minor child could be referred to the E&T Program if he or she is work-registered and wishes to volunteer. A child aged 16 or 17 who is not in school and who is work registered could be referred to the E&T Program if he or she wishes to volunteer. Volunteers who are work registered may be reimbursed for any expenses related to E&T participation. The reimbursement rate for work-registered volunteers is the same as the reimbursement rate for able bodied adults who participate in the program: a maximum or $50.00 per calendar month for all reimbursements. County offices must continue to manually refer work registrants other than able bodied adults to the E&T Program if the individual wishes to volunteer.

3622 Provider Determination

SNAP Manual 01/01/2024

A provider determination is when an E&T provider determines that an E&T participant is not appropriate or is ill-suited for a particular E&T component. Only the E&T provider has the authority to determine if an individual is ill-suited for the E&T component from the time an individual is referred to an E&T component until completion of the component.

The State agency is responsible for ensuring all E&T providers are informed of their authority and responsibility to determine if an individual is ill-suited for a particular E&T component. Such determinations shall be referred to as provider determinations. The E&T provider must notify the State agency of the provider determination within ten (10) days of the date the determination is made. This notification must include the reason for the provider determination. If an E&T provider finds an individual is ill-suited for one (1) component offered by the E&T provider, the provider may switch the individual to another component and inform the agency of the new component without need for the agency to act further on the determination.

The E&T provider may also provide input on the most appropriate next step for the individual with a provider determination. If the State agency is unable to obtain the reason for the provider determination from the E&T provider, the agency must continue to act on the provider determination.

3622.1 County Office Responsibilities

SNAP Manual 01/01/2024

When the agency receives notification that an individual has received a provider determination, and the individual is not exempt from the work requirement, the agency must:

- Notify the E&T participant, within ten (10) days of receiving notification from the E&T provider, of the provider determination. This notification will:
  - Explain what provider determination is.
  - Explain that the individual is not being sanctioned as a result of the provider determination.
- Re-screen the individual for participation in the SNAP E&T program.
- Provide the individual information about workforce partnerships.
- Reassess the individual for any mental or physical impairments.
  - If the individual is found to be physically or mentally unfit, the individual will be exempt from the work requirement.

If the participant is an able-bodied adult without dependents and has received a provider determination, the individual must be notified that they will accrue countable months toward their three (3) month participation time limit. The months will begin to accrue the next full benefit month after the month during which the participant has been notified of the provider determination, unless the individual fulfills the work requirements, has good cause, or is otherwise exempt.

The participant may be notified verbally or in writing, and the eligibility worker must document when the notification occurs in the participant's case file.

3630 Reimbursement/Payments

SNAP Manual 01/01/19

Each E&T participant will be eligible to receive reimbursement for transportation necessary to enable the individual to comply with required component activities. Reimbursement for transportation will be based on actual expenses of the current allowable state mileage reimbursement rate or the actual costs (e.g., for bus service or transportation provider) whichever is greater but not to exceed the maximum of $50 allowed per calendar month per participant. E&T reimbursements for transportation may include transportation costs such as:

- Bus tokens
- Gas vouchers
- Prepaid gas cards
- Automobile repairs
- Carpools

- Mileage reimbursements
- Taxicab services
- Contracts with private entities, such as transit providers who provide shuttle services
- Purchase of tires or automobile batteries
- Driver license fees (including renewals)

Other expenses related to E&T Program participation such as uniforms, boots, tuition, may be reimbursed when such reimbursements are requested by the local E&T Provider. These requests must be handled on a case-by-case basis and may include:

- GED test payments, uniforms, personal safety items, or other necessary equipment, and books or training manuals;
- Suitable clothing for job interviews;
- Licensing and bonding, or background check fees for a work experience placement;
- Vision needs (such as eyeglasses and eye exams).

Payment must be authorized through the Wise system and paid directly to the vendor, unless verification is provided by the E&T Provider that this was indeed an out-of-pocket expense paid by the participant. The worker will utilize instructions contained in the *Online Wise Help* when authorizing reimbursement payments and generating checks for customers and providers for expenses other than transportation. See SNAP 3631 for instructions on authorizing transportation costs. If a provider is providing services for more than one participant, a separate entry for each person must be keyed to RSRP in order for a check to be generated.

Total monthly E&T reimbursement may not exceed $50 per client per calendar month. This includes both transportation costs and other costs. This reimbursement will not be counted as income in the SNAP budget. See SNAP 5411.

Questionable claims for reimbursement should be referred to the Supplemental Nutrition Assistance Program Manager for resolution.

3631 Transportation Reimbursement Payments

SNAP Manual 01/01/17

Each month that an E&T Program participant incurs a transportation expense, the E&T Program participant must complete a *Travel Reimbursement Documentation* (DCO-243) and page one of the Billing and Routing Sheet (DHS-0187). It will not be necessary to complete page 2 of the DHS-0187. The DCO-243 and DHS-0187 may be completed in the E&T Provider's office when the client goes there for E&T Program services.

When an E&T Program participant uses his or her own car for E&T related travel, sections A, B, and C of the DHS-0187 must be completed by the participant. The DCO-243 will be attached as documentation of the travel. When an E&T Program participant pays someone else to transport him or her, Sections A, B and C of the DHS-0187 must be completed and documentation of transportation cost must be attached. If public transportation is used, a copy of the bus ticket or a receipt should be attached. If the participant pays another individual to furnish transportation, that individual must provide a signed statement indicating the dates on which transportation was provided and the amount paid for the transportation.

The E&T Provider will not sign or date the DHS-0187. Instead, the form will be forwarded to the DHS county office. The DCO eligibility worker will sign the form in the area entitled "DHS Authorized Signature" and will authorize the payment via the Wise system. Instructions may be accessed via *Online Wise Help*.

NOTE: Each time a reimbursement is to be authorized, the worker must check the client's mailing address displayed on WISE to be sure it is the current/correct one. The Wise mailing address needs to be corrected before a reimbursement check is authorized.

3640 Information Supplied to DHS by the Provider

SNAP Manual 01/01/17

Participation in the SNAP E&T Program is voluntary. No individual will be penalized for failure or refusal to participate in the SNAP E&T Program even if the E&T Provider furnished this information to the DHS county office.

The only adverse action that may be taken is when an able-bodied adult has received the maximum months of eligibility within the current three-year compliance period.

When an E&T Provider becomes aware that an E&T Program participant has gone to work, the provider worker will notify the DHS county office via the DCO-205. The E&T Provider will transmit this information to the designee at the local DHS County office within 10 days of the reported change. This information will be processed according to the household's reporting requirements.

3650

DELETED EFFECTIVE 06/01/05

3700 Workfare

SNAP Manual 01/01/19

Workfare allows certain non-exempt work registrants to perform public service activities as means to fulfill the Requirement to Work (RTW) and as a condition for receiving SNAP benefits. The primary goal of Workfare is to improve employability, thereby enabling individuals to move into regular employment.

Arkansas operates a volunteer Workfare program therefore there are no penalties or individual sanctions for failure to comply with a Workfare activity. However, an individual subject to the 3-month time limit may lose eligibility for failure to meet a work requirement unless exempt from the RTW.

Arkansas operates two types of Workfare programs; Formal Workfare and Com parable Workfare.

Formal Workfare is operated jointly by a state or political subdivision and the Food and Nutrition Service (FNS) of the USDA. A political subdivision is any local government, including but limited to, any county, city, or town. FNS must approve Formal Workfare plans prior to implementation of the program.

Political subdivisions approved to operate Formal Workfare are called Workfare sponsors.

Fifty percent of all administrative costs incurred by the Formal Workfare sponsor will be funded by the federal government. Participant's costs will be reimbursed up to, but not in excess of, $25.00 per month (see SNAP 3751). Costs that are not reimbursable include: equipment; capital expenditures; tools or materials used in connection with the work; the costs of supervising Workfare participants; and the costs of reimbursing participant's meals or participant expenses in excess of $25.00 per month.

The State will disburse federal funds used for the Workfare Program. The State will assure that records to support these financial claims are being maintained by the Workfare sponsor.

The Workfare sponsor is responsible for interviewing and assessing eligible recipients, establishing job sites, assigning recipients to appropriate job sites, and making referrals to the eligibility worker for initial determinations of good cause or no good cause for failure to comply with Workfare obligations. Formal Workfare job sites may only be located in public or private non-profit agencies. Contractual agreements must be established between the Workfare sponsor and the job site.

The Comparable Workfare program establishes a means by which an able-bodied adult who is subject to the 3-month time limit may fulfill the work requirement in order to remain eligible for SNAP benefits.

Comparable Workfare providers are limited to churches, local government agencies, such as any federal, state, county, city, or town, and other non-profits who are willing to meet the reporting requirements to establish the individual's participation and supervision. In addition, a Comparable Workfare program may operate in any county.

The DCO eligibility worker may refer individuals for Comparable Workfare if work sites are known or the individual may find his or her own placement with an authorized agency.

Participation in a Workfare program must be monitored to assure that an able-bodied adult who is subject to the RTW does not receive additional months of SNAP benefits while not meeting the RTW.

3710 Conditions of Formal & Comparable Workfare Employment

SNAP Manual 01/01/19

3710.1 Conditions of Formal Workfare

SNAP Manual 01/01/17

All persons employed in Formal Workfare must receive job-related benefits to the same extent as others who are similarly employed. These are benefits related to the actual work being performed, such as worker's compensation. These are not benefits related to employment such as health benefits. Of those benefits required to be offered, any elective benefit that requires a cash contribution will be optional to Formal Workfare participants.

NOTE: The cost of Worker's compensation or comparable protection provided to participants by the Workfare sponsor is a matchable cost. However, whether or not this coverage is provided, in no case is the federal government considered to be the employer in a Workfare Program, unless a federal agency is the job site. The Department of Agriculture does not assume liability for any injury to or death of a Workfare participant while on the job.

Formal Workfare participants must be provided the same working conditions as others who are similarly employed. Health and safety conditions must conform to Sec. 2(a) (3) of the Service Contract Act of 1965 (P.L. 89-286).

Formal Workfare participants will not be assigned work that has the effect of replacing or preventing the employment of an individual not participating in Formal Workfare. This means that vacancies due to hiring freezes, terminations, or layoffs will not be filled by a Workfare participant unless such vacancies are a result of funds insufficient to sustain former staff levels. Workfare jobs must not in any way infringe on the promotional opportunities that would otherwise be available to regular employees.

Formal Workfare jobs will not be related in any way to partisan political activities. Although Workfare participants may be assigned to work for an elected official, they may not engage in work that could be construed as political, such as campaign work.

Formal Workfare assignments will take into consideration previous training, experience and skills of participants. This information shall be obtained from the participant during the initial interview with the Formal Workfare coordinator.

3710.2 Conditions of Comparable Workfare

SNAP Manual 01/01/19

Comparable Workfare participants will not be assigned work that has the effect of replacing or preventing the employment of an individual not participating in Comparable Workfare. This means that vacancies due to hiring freezes, terminations, or layoffs will not be filled by a Comparable Workfare participant unless such vacancies are a result of funds insufficient to sustain former staff levels. Comparable Workfare jobs must not in any way infringe on the promotional opportunities that otherwise may be available to regular employees.

Comparable Workfare jobs will not be related in any way to partisan political activities. Although Comparable Workfare participants may work for an elected official, they may not engage in work that could be construed as political, such as campaign work.

Workfare assignments will take into consideration previous training, experience and skills of participants. This information shall be obtained from the participant during the initial interview with the Workfare Coordinator.

3720 Who is Subject To Workfare

SNAP Manual 10/01/03

The DCO eligibility worker will determine at certification, recertification or submission of a completed semi-annual report, annual review or reported change which household members may participate in the Workfare Program

Any household member who is not exempt from the RTW as specified in SNAP 3500 may participate in the Workfare Program.

EXCEPTION 1: Recipients of TEA cash assistance who are not otherwise exempt from the work registration requirements may be required to participate in a Workfare Program if he or she participates less than 20 hours per week in a TEA work requirement activity.

EXCEPTION 2: Unemployment benefit recipients who are not otherwise exempt from the work registration requirements may participate in a Workfare Program.

If a Workfare Program participant is unable to report for job scheduling, to appear for scheduled Workfare employment or to complete their entire Workfare obligation due to compliance with an unemployment or TEA Program work requirement, that inability will not be considered as a refusal to accept Workfare employment. The Workfare sponsor must reschedule the missed activity. If the rescheduled activity cannot be completed before the end of the month, that must not be considered as cause for non-compliance.

3730 Determining Formal and Comparable Workfare Hours

SNAP Manual 01/01/19

Normally, Workfare begins when the eligibility worker determines that a certified household contains an able-bodied adult member who is subject to the RTW. Formal Workfare ends when the able-bodied adult household member becomes exempt from the RTW or when the household moves from a Formal Workfare county, or when the SNAP case is closed for any reason.

Only one member per household will be required to participate in Workfare at a given time. If there is more than one able bodied adult household member who is subject to the RTW, the household selects which able bodied adult member will participate in the Workfare Program. This individual is considered to be the household's prime designee. In households having more than one member subject to the RTW, another household member who is also subject to the

RTW may fulfill the Workfare hours if the original designee does not. (See SNAP 3760.) The Formal Workfare office should report a change in designees to the local DHS county office. However, it is not necessary that the DHS county office be notified prior to the work obligation being completed by another able-bodied adult in the home.

The household's obligation of work hours each month will be calculated by dividing the household's authorized monthly SNAP benefit amount(before recoupment) by the current state or federal minimum wage, whichever is greater. Fractions are rounded down.

The maximum number of hours worked ***weekly*** in a workfare activity, combined with any other hours worked during the week by a participant for compensation (in cash or in kind) in any other capacity, must not exceed 30.

3740 Referral of Workfare Eligibles

3740.1 Referral of Formal Workfare Eligibles

SNAP Manual 8/01/16

In counties that operate a Formal Workfare Program, the eligibility worker determines who is subject to the RTW and makes referrals. The worker will determine at certification, recertification, or any other case action which household members are subject to or become subject to the RTW as per SNAP 3200-3290. Once these persons are identified, the worker will:

1. Notify the household of the RTW via DCO-260 *Notification of Work Registration and Requirement to Work* if necessary. See SNAP 3300-3310.2.
2. Determine if a household member is subject to the RTW using the criteria in SNAP 3710. If more than one member is subject to Workfare, the household must designate the member who will be responsible for the Workfare obligation. This member, who is the prime designee, does not have to be interviewed in the county office. However, when the household makes a change in designee, the DHS County Office should be notified.
3. Complete the *DCO-207 Workfare Referral for able bodied adults* in accordance with instructions on the form. Calculate the Formal Workfare hours needed to meet the RTW in accordance with SNAP 3730. This will be done at certification, recertification or submission of a semi-annual report, or reported change if the change will affect the SNAP benefit amount and the Workfare hours. The DCO-207 will be scanned and emailed to the Workfare Office within ten days of date of completion. The original will be issued to the household and a scanned copy will be retained in the case file.

4. Establish a job search period of 10 days. The job search period must follow certification and must end before the Workfare assignment is made. Job search periods are only established when an individual is referred to Workfare for the first time or when an individual is referred again following a period of nonparticipation in Workfare. A job search period is established at application but not at recertification or submission of quarterly report.
5. Advise the household of the responsibilities listed below:
    a. The able-bodied adult should look for a job if a job search period is established.
    b. The able-bodied adult should report to scheduled appointments and participate in Workfare activities as directed by the Workfare Sponsor in order to meet the RTW.
    c. The able-bodied adult should advise the Workfare sponsor's office in advance if he or she is unable to keep scheduled appointments due to unavoidable circumstances such as illness, household emergency, etc.

These responsibilities are explained on the DCO-207.

6. Inform the household of the effect of any changes on Workfare hours.
7. Advise the Workfare sponsor within 10 days of the date a change was processed and how this change will affect a household's Workfare hours. This also includes changes in head of household and case closures.
8. Provide the following information to the Workfare sponsor when the sponsor reports a participant has obtained employment:
    a. The SNAP benefit amount prior to the change; and
    b. The SNAP benefit amount after the change.

    The information will be used by the Formal Workfare Sponsor to calculate the amount of enhanced reimbursement as instructed in SNAP 3710.
9. Make final determination on good cause requests as explained in SNAP 3763.
10. Act on reports of noncompliance as described in SNAP 3750-3753. The worker will need to determine how many, if any, countable months the individual has accumulated.

3740.2 Referral of Comparable Workfare Eligibles

SNAP Manual 01/01/19

The eligibility worker will determine at certification, recertification or any other case action who is subject to the RTW. The eligibility worker will:

1. Advise the household that Comparable Workfare is a means to meet the RTW through

volunteering.

2. Notify the household who is subject to the RTW and issue the DCO-260 *Notification of Work Registration and Requirement to Work for* able bodied adult*s and the DCO-207 Workfare Referral for able bodied adults.*
3. Advise the household of the hours needed to fulfill the RTW.
4. If more than one member is subject to Workfare, the household must designate the member who will be responsible for the Workfare obligation. This member, who is the prime designee, does not have to be interviewed in the county office. However, when the household makes a change in designee, the DHS County Office should be notified.
5. Issue the DCO-261 *Volunteer Agreement* to be completed by the Comparable Workfare entity/individual who will supervise any volunteer activity.

The eligibility worker may assist individuals in locating a Comparable Workfare position to known eligible entities in the county or the individual may find his or her own placement with one of the allowable entities:

- churches,
- local government agencies, such as any federal, state, county, city, or town, and
- other non-profits.

3750 Formal Workfare Sponsor Responsibilities

SNAP Manual 1/01/99

SNAP 3700-3710 gives a general explanation of the Workfare sponsor's responsibilities for administering the Formal Workfare Program.

Specific Workfare sponsor responsibilities and the policy section in which they are explained are listed below:

- Beginning Workfare Participation .....SNAP 3751
- Monitoring the program .....SNAP 3752
- Making reports.....SNAP 3752
- Reporting RTW noncompliance.....SNAP 3752
- Referring good cause determinations .....SNAP 3763

3751 Beginning Workfare Participation

SNAP Manual 01/01/17

3751.1 Beginning Formal Workfare

SNAP Manual 01/01/17

The Formal Workfare sponsor will be notified via a *DCO-207 Workfare Referral for Able Bodied Adults* of the household's Workfare hours needed to fulfill the RTW. The form will be scanned and emailed to the Workfare Office.

An interview with the able-bodied adult will be scheduled by the Workfare sponsor to obtain information regarding the training, experience and skills of the individual. These factors will be taken into account when the individual is assigned to a job site.

The Workfare sponsor will notify the individual of where and when to report to the Workfare site. Additionally, he/she must be given:

1. The name of the person to whom the able-bodied adult is to report;
2. A description of the duties for the worksite; and
3. A statement of the number of hours to be worked each month.

Participants may be reimbursed (not to exceed $25 per month) for transportation and other costs that are reasonable, necessary and directly related to Formal Workfare. This includes costs of personal safety items or equipment required for performances of the work if also purchased by regular employees. Reimbursements for transportation may include but are not limited to; use of participant's private vehicle and public transportation provided cost per month does not exceed $25.

Participants who fail to report to scheduled interviews or to assigned job sites or who otherwise fail to comply with proper instructions from the Workfare sponsor will be advised by letter to contact the Workfare sponsor to make arrangements to complete their hours.

If a participant fails or refuses to comply with the Formal Workfare requirements, the Workfare sponsor must submit the information to the DHS County Office for an eligibility worker to make a Good Cause determination as outlined in SNAP 3763.

3751.2 Beginning Comparable Workfare

SNAP Manual 01/01/19

The Comparable Workfare participation will begin with the entity and the date shown on the DCO-261.

Participants may be reimbursed (not to exceed $25 per month) for transportation. Reimbursements for transportation may include but are not limited to; use of participant's private vehicle and public transportation provided cost per month does not exceed $25.

If the eligibility worker becomes aware that a participant, at any time failed to comply with the RTW without good cause as outlined in SNAP 3762-3763, the worker must determine if any past months should have been considered as one of the 3 countable months in the 3-year period. If so then the eligibility worker will request that the Program Eligibility Analyst (PEA) make a correction to the individual's countable months in the eligibility system.

3752 Monitoring and Reporting

SNAP Manual 8/01/16

3752.1 Formal Workfare Monitoring and Reporting

SNAP Manual 8/01/16

The Formal Workfare sponsor will monitor participation and provide supervision as needed to participants placed on each job site.

1. The Formal Workfare sponsor must maintain records of Workfare activity for each participant. At a minimum, these records must contain job sites, hours assigned and hours completed.
2. The Formal Workfare sponsor must maintain records of monitoring activity. These records must include:
    a. The date of each monitoring visit and the name of the job site visited;
    b. Any discrepancies discovered through monitoring;
    c. The corrective action prescribed; and
    d. The results of follow up monitoring to insure corrective action was implemented.

    Each job site will be provided with a copy of the monitoring report.

3. The Formal Workfare sponsor must maintain verification of:
    a. Direct reimbursement to participants; and

b. Travel claimed by the Workfare Coordinator/transportation director as a reimbursement for job related costs.

4. The Formal Workfare sponsor must report to the DHS County Office on a monthly basis the following information:
    a. The number of individuals referred for Workfare;
    b. The number of individuals assigned to job sites;
    c. The type of job sites and work each individual is assigned (i.e. construction, office, maintenance);
    d. The total number of hours each individual works;
    e. Skills/progress gained over time by each individual; and
    f. The total number of hours worked by all participants.

This information is used by the DHS County Office to complete the *Quarterly Report* (DCO-210).

3752.2 Comparable Workfare Monitoring and Reporting

SNAP Manual 01/01/19

In order for an individual to participate in Comparable Workfare with any church, local government agency, or other non-profit organization, the entity must be willing to supervise the individual's work and be willing to be responsible for verifying hours and participation as needed.

The Comparable Workfare sponsor must maintain records of Workfare activity for each participant. At a minimum, these records must contain job sites, hours assigned and hours completed.

3753 Formal Workfare Optional Grievance Procedures

SNAP Manual 1/01/99

The Formal Workfare sponsor has discretion to establish a grievance procedure to handle complaints filed by participants regarding working conditions or any other complaint related to Workfare participation - e.g. job duties assigned.

This procedure need not handle complaints that can be pursued through an administrative hearing as explained in SNAP 3800. A participant who chooses not to use the optional grievance procedure may request an administrative hearing. A description of any optional grievance must

be included in the Workfare plan, and Workfare participants must be informed of the grievance procedure.

3760 Sanctions for Noncompliance With Workfare

Deleted 01/01/17

This section has been deleted as of 01/01/17

3762 Good Cause for Workfare Noncompliance

SNAP Manual 01/01/19

If an able-bodied adult's circumstances change that potentially cause them to lose their eligibility, good cause must be determined. The eligibility worker should consider all facts and circumstances including information provided by both the household and or the Workfare sponsor when determining good cause. *The Work Registration and Requirement to Work (RTW) Exemptions Checklist Tool* located in the SNAP Toolkit on DHS Share should be utilized to assist in making exemption and/or good cause determinations.

- If the individual would have participated in Formal or Comparable Workfare but missed some work for good cause, the individual shall be considered to have met the work requirement if the absence is *temporary and they intend to return*.
- Good cause includes circumstances beyond the household member's control, such as, but not limited to illness, household member illness requiring the presence of the member or household emergency or the unavailability of transportation.

A Workfare participant is considered to have good cause for failing to complete his/her workfare hours in the following situations:

- The participant is not yet available for scheduling due to the job search requirement cited in SNAP 3740.
- The referral was received too late to schedule an interview for the current month.
- The participant never received an interview and/or work notice.
- The participant was interviewed too late in the month to be scheduled to work in the same month.
- The requirement is for too few hours to schedule.
- The household is currently under sanction.
- An administrative error resulted in the noncompliance.
- A worksite is not available.

6B3700 Workfare

Voluntary Quit

A participant is also considered to have good cause for failure to complete Workfare hours when:

- The participant is ill.
- The illness or incapacitation of another household member requires the presence of the Workfare participant.
- A household emergency requires the presence of the participant.
- The participant would have been required to join, resign or refrain from joining any legitimate labor organization.
- The work offered is at a site subject to a strike or lockout unless the strike has been enjoined under section 208 of the Labor-Management Relation Act (commonly known as the Taft-Hartley Act) but no injunction has been issued under section 10 of the Railway Labor Act.
- The degree of risk to health and safety is unreasonable.
- The Workfare designee is physically or mentally unfit to perform the employment as documented by medical evidence or by reliable information from other sources.
- The distance to the job site is unreasonable because daily commuting time exceeds two hours per day.
- The working hours or nature of the employment interferes with the member's religious observances, convictions, or beliefs.
- The participant has no transportation and transportation is not provided by the Workfare sponsor.
- The participant lacks adequate childcare for children who have reached the age of six but are under the age of 12.
- The costs of transportation and other costs have exceeded $25 per month and the excess amounts are not reimbursed by the Workfare sponsor.
- There is no longer a Workfare eligible in the home.
- The participant's obligation to the SNAP E&T Program has prevented the completion of the Workfare obligation.
- For unemployment insurance applicant or recipient, the participant's obligation to DWS has prevented the completion of the Workfare obligation.
- The Workfare sponsor notifies the county of the noncompliance more than 15 days following the date on which the noncompliance occurred.

If a pregnant woman or an individual who has a partial disability volunteers for Formal Workfare, he or she will be referred to the Workfare sponsors. However, the Workfare sponsor must be made aware of the pregnancy or partial disability via email communication to the

Workfare Sponsor. The work assignment should be appropriate for the person's condition. If there is no appropriate assignment, then the individual who has volunteered must not be penalized for non-compliance.

If a participant develops a disabling condition whether obvious (e.g. - broken leg) or not obvious, the sponsor will make a referral to the to the DHS County Office so the eligibility worker may determine good cause and document the reason in the case record and notify the Workfare Sponsor via email if good cause has been established. If the disabling condition is not obvious, a doctor's statement must be obtained as explained in SNAP 3230. The *Work Registration and Requirement to Work (RTW) Exemptions Checklist Tool* may be used to assist in making exemption and/or good cause requests determinations.

3763 Determining Good Cause

SNAP Manual 01/01/19

Good cause must be determined by the DCO eligibility worker.

If the participant contacts the Formal Workfare sponsor or the Comparable Workfare supervisor to report that he or she will not be able to complete his or her volunteer hours the Workfare sponsor or supervisor will report the information to the local DHS county office and request a good cause determination. This communication may occur via email to the DHS County Administrator or designee. The DCO eligibility worker will review the information and make a final good cause determination.

When information is received from the Workfare sponsor or supervisor that indicates the individual did not volunteer the required hours to meet the RTW, the DCO eligibility worker must review the circumstances to determine if good cause exists. If the DCO eligibility worker determines that the participant had good cause for the not completing the hours necessary to meet the RTW, the worker will email the decision to the Workfare sponsor. No additional action will be required.

If good cause cannot be established through a review of the case record, the household must be given the opportunity to establish good cause. The DCO eligibility worker will send a notice to the household requesting verification of the good cause claim.

If the DCO worker determines that the participant did not have good cause, the worker will review the case to determine if the able-bodied adult has received any countable months within the designated 3 year period. If the able-bodied adult has received 3 countable months while

not meeting the RTW then a notice of adverse action will be sent to the household. See SNAP 3764 for instructions.

When the Workfare sponsor receives a report that a Workfare participant is employed, this information must be reported to the DHS county office via email to the DHS County Administrator or designee. If the name of the employer is known, this information will be included in the email.

If employment has not been reported by the household, the DHS worker will attempt to confirm the reported employment by contacting the employer or other collateral contact. Reports of earned income from Workfare sponsors will be handled in the same way as reports of earnings from field investigators. See SNAP 12440 for details. If the DHS worker is not able to confirm the report of earned income, then the household will be issued a notice of adverse action as outlined in SNAP 3764 if the able-bodied adult has received 3 months of SNAP while not meeting the RTW.

If the able-bodied adult has begun working 80 or more hours per month then he or she is meeting the RTW and is no longer subject to the work requirement as outlined in SNAP 3500. The eligibility system will be updated to reflect these changes.

3764 Notice of Adverse Action

SNAP Manual 11/01/02

A Notice of Adverse Action must be issued to the household within 10 days if any able-bodied adult member is to be disqualified for failure to comply with the RTW.

When the prime designee or other Workfare eligible has failed to comply with Workfare without good cause, the notice of adverse action must specify:

- Who failed to comply with Workfare;
- That as a result, the household will be disqualified;
- How long the disqualification will last; and
- How he or she may avoid the sanction by working off the outstanding obligation. The notice must provide a name and telephone number for the household to contact about working off the obligation.

If it has not been established whether the Workfare eligible had good cause for the noncompliance, the notice must state:

1. Who failed or refused to complete the Workfare obligation;
2. That this person has not established good cause for the noncompliance;
3. That the household must contact the DHS worker within 10 days to establish if the Workfare participant had good cause for the noncompliance; and
4. That unless good cause is established, the non-compliant household member will be disqualified for two months for each month of noncompliance.

NOTE: The notice must specify any information needed to establish good cause.

3765 Consequences of Non-compliance with Workfare

SNAP Manual 01/01/19

Both Formal and Comparable Workfare are voluntary programs. There are no sanctions for non-compliance. However, if the individual is an able-bodied adult who has received 3 months of SNAP benefits while not meeting the RTW then he or she will no longer be eligible to participate in SNAP until they meet the RTW, become exempt from the RTW, meet an exemption from the RTW, or the current 3 year compliance period ends.

The eligibility worker will take the appropriate action to either close or reduce the household's SNAP benefits as outlined in SNAP 3521. The household must also be notified via instructions at SNAP 3764.

3766 Ending a Sanction

Deleted 01/01/17

SNAP 3766 has been deleted effective 01/01/17

3780 Sharing Formal Workfare Savings - Enhanced Reimbursement

SNAP Manual 11/01/02

A Formal Workfare sponsor may share in benefit reductions that occur when a Formal Workfare participant begins employment while participating in Workfare for the first time or within thirty days of ending the first participation in Formal Workfare.

- To begin employment means to appear at the place of employment and to begin working.
- First participation in Formal Workfare means performing work for the first time in a particular Workfare Program. The only break in participation which will not end a first participation is a break due to the participant's taking a job that: a) does not affect the household's monthly SNAP benefits by an entire month's wages; and b) that is followed by a return to Formal Workfare.

The Formal Workfare sponsor must calculate benefit reductions from each Formal Workfare participant's employment as follows:

1. Unless there are household changes known to the Workfare sponsor, the benefit reduction will be based on the difference between the household's SNAP benefit amount the month before the job began and the first monthly benefit amount that reflects a full month's income from the job.
2. If the Workfare sponsor is aware of household changes that occurred after the job began or if SNAP benefits were not issued after the job began, a SNAP budget must be calculated to reflect the effects of the new job without regard to the other changes. To calculate such a budget the worker must recalculate the budget used the month before the new job began and add the earnings from the new job. For this budget, the earned income deduction must reflect the earnings from the new job plus any pre-existing employment. Any dependent care costs incurred as a result of the new job will be allowed. If TEA cash assistance decreased as a result of the new job, the reduced TEA cash assistance amount will be shown in the budget. The benefit reduction will be the difference between the original benefit amount and the recalculated benefit amount. If the household is ineligible, the reduction will equal the household's entire benefit amount.

3. The political subdivision's share of the benefit reduction is three (3) times the difference, divided by two.
4. If, during these procedures, an error is discovered in the last SNAP benefit amount issued before the new employment began, then those benefits must be corrected before the savings are calculated.

To claim and receive the enhanced reimbursement, the procedure for reimbursing Formal Workfare's regular expenses will be used. Totals of benefit reductions for the period covered by the claim will be entered in the miscellaneous section of the claim document. The Workfare sponsor must be prepared to make available for review all documentation to support each claim.

Enhanced reimbursement is limited to the amount of the actual unreimbursed costs for the fiscal year in which the participant began the job which resulted in the savings.

EXAMPLE 1: The household's monthly SNAP benefits at the time the Workfare participant went to work were $240. The monthly benefit amount is reduced to $93 as a result of the earnings.

The enhanced reimbursement is calculated as follows:

$240 - 93 = $147 x 3 = 441 ÷ 2 = $220.50.

The amount claimed as enhanced reimbursement is $220.50.

EXAMPLE 2: The household's monthly benefits at the time the Workfare participant went to work were $83. Two additional household members were added prior to earnings. After changes were made, the benefits increased to $102. There would be no enhanced reimbursement.

3800 Appeal of County RTW Decisions

SNAP Manual 1/01/99

All decisions regarding work registration, Requirement to Work (RTW) or Informal or Formal Workfare determinations may be appealed through the administrative hearing process explained in SNAP 16300 - 16330.

When a participating household appeals the county's decision regarding failure or refusal to comply with work registration or the RTW within the notice period, benefits will be continued providing:

- The household did not waive continuation of benefits; and
- The household's certification period has not expired. (Certification periods cannot be extended to accommodate continuation of benefits.)

The eligibility worker will restore lost benefits to the household if the hearing decision is in the household's favor and continued benefits were waived. If the hearing decision is in the county's favor and the household's benefits were continued during the hearing process, the disqualification will be imposed as soon as possible.

4100 Resources – Summary

SNAP Manual 08/01/98

For the purpose of determining eligibility for the Supplemental Nutrition Assistance Program, resources are defined as assets available to the household such as money in bank accounts, certificates of deposit, stocks, bonds, land, or houses that the household could sell. Vehicles are also considered to be resources.

Some assets are totally excluded from consideration as resources. Other assets are considered inaccessible if the household can demonstrate that the asset is not available and will not likely become available.

Households may not transfer resources to become eligible or remain eligible for SNAP benefits.

4200 When Resources are Determined

SNAP Manual 08/01/98

At initial application and at application for recertification, resources are determined at the time of the interview. If the household's countable resources exceed the limits at the time of the interview, the application will be denied. The household may reapply at any time. When the household reapplies, resources will be re-determined at the time of the next interview. See SNAP 12230 for handling reported changes in resources.

4300 Resource Eligibility Standards

SNAP Manual 07/01/2025

A household's eligibility will be denied or terminated when the value of the household's countable resources (both liquid and non-liquid assets) exceeds the limit for all households regardless of household size, including households with an individual with disabilities (see glossary definition of sixty (60) years of age or older individuals with disabilities households).

The household is classified as categorically eligible if all household members receive SSI benefits or a combination of TANF and SSI. A combined household of SSI recipients and non- SSI recipients cannot be classified as categorically eligible. However, the individual household members who receive SSI benefits are categorically eligible. This means that any resources owned solely by an SSI recipient are not to be counted when the household's total resources are determined, but all resources owned by the other household members are to be counted. If the resources owned by household members, who do not receive SSI, exceed the resource limit, then the entire household (including the SSI recipient) is ineligible to participate in the Supplemental Nutrition Assistance Program. Co-owned resources will not automatically be excluded under this policy. Instead, the resource will be handled in the same manner as any other jointly owned resource. Please see Appendix D for current resource limits for Regular and Age/Disabled households.

Broad Based Categorically Eligibility applies to all SNAP households that receive a non-cash TANF or Maintenance of Effort benefit (See Appendix AA for BBCE information). This allows the resource limit for all households to be increased (See Appendix D). This increase is permitted for a twelve (12) month period and can only be granted once every five (5) years. After the twelve (12) month period has been exhausted the standard resource amounts will apply.

4310 Uniform Resource Standards

SNAP Manual 08/01/98

Resource standards are uniformly applied to all households except those in which all members are recipients of TEA and/or SSI. Except for categorically eligible households, all resources currently held by the household and all resources anticipated to be received during the certification period must be reported at the time of the interview.

4400 Excluded Resources

SNAP Manual 01/01/03

A general list of excluded resources is provided below. Each excluded resource is explained in detail in the sections of policy immediately following:

- The household's home and lot. SNAP 4410
- Household and personal goods. SNAP 4420
- Life Insurance policies and pension funds. SNAP 4420
- Certain vehicles. SNAP 4840
- Property essential for the maintenance or use of certain excluded vehicles. SNAP4430
- Income producing property. SNAP 4440
- Payments that are excluded as a resource by law. SNAP4450
- Resources owned by a SSI recipient in a mixed household. SNAP 4300
- Resources owned by the members of a categorically eligible household SNAP4300
- Earmarked resources. SNAP 4460
- Indian lands and certain payments to Indians. SNAP4460
- Burial lots, limited to one per household member. SNAP4460
- Prepaid burial plans to the extent that the funds in such a plan are inaccessible. SNAP 4602
- Inaccessible resources. SNAP 4500
- Educational Income SNAP 4450 & SNAP 4460

The resource exclusions in SNAP 4410-4580 apply to all eligible household members, ineligible aliens, and disqualified household members:

4410 Home and Lot

SNAP Manual 10/01/91

The home and lot is the household's residence and any surrounding property not separated from the residence by intervening property owned by others. Rights-of-way, such as roads that run through the property surrounding the home, do not affect the exemption. Other structures on the homestead will be evaluated to determine if they can be excluded as described here.

If the other structure is a house (or mobile home) that is habitable (has indoor plumbing facilities, running water and is livable), then the house (not the land on which it sits) will be counted as a resource provided it is not income producing. If the utility company has turned off the water, the house will be considered as having "running water."

If the other structure is a building that is not a traditional house, it will be considered as an excluded resource i.e., tool sheds, corncribs, woodsheds, barns, etc

If these structures produce income (i.e. rental payments), this income is not excluded, and is treated in accordance with SNAP 5715.

The residence and surrounding property remain excluded when temporarily unoccupied for the following reasons:

a. Employment
b. Training for future employment
c. Illness of a household member
d. Inhabitability caused by casualty or natural disaster, if the household plans to return to the residence.

A household that does not currently own a home receives an exclusion if: a) the household owns or is purchasing a lot on which they intend to build or are building a home, and b) they plan to reside in the home. The exclusion applies to the value of the lot and home if partially completed. There is no limit to the partial completion of the home. There is no limit to the size of the lot if the lot is not separated by intervening property owned by others, nor are there any limits to the period of time in the future when the household plans to build the home.

Verification of the value of the home and lot must be obtained if the information given by the household about the home and lot affects eligibility and is questionable. All circumstances surrounding this decision must be documented.

4420 Household and Personal Goods/Life Insurance

SNAP Manual 10/01/08

The following items will be excluded when determining countable resources:

1. Household goods such as, but not limited to, appliances, microwaves, lawn mowers, garden tractors, furniture and TV satellite dishes.
2. Personal effects such as, but not limited to, tools, jewelry andclothing.
3. The cash value of life insurance policies.
4. Prepaid burial policies and plans to the extent the funds in such a plan are inaccessible.
5. Livestock.

NOTE: Any amount that can be withdrawn (less a $1,500 per person disregard) from prepaid burial plans without a contractual obligation to repay will be counted asa

resource for SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM purposes. See SNAP 4602.

4421 Pension or Retirement Funds

SNAP Manual 10/01/08

Tax-preferred retirement accounts (e.g., IRAs) and employer sponsored retirement accounts are excluded as countable resources in determining Supplemental Nutrition Assistance Program eligibility. This includes any funds in a plan, contract, or account, described in sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c)(18) of the Internal Revenue Code of 1986 and the value of funds in a Federal Thrift Savings Plan account as provided for in 5 U.S.C. 8439. It also provides for the exclusion of any successor retirement accounts that are exempt from Federal taxes.

The chart on the following page provides guidance on pension or retirement accounts based on the Internal Revenue Code of 1986.

Resource Excluded Retirement Accounts/Plans

Retirement Plan of Account Type	What is it?	Authorized Under
401(k) plan	Defined-contribution plan that allows employees to contribute to their accounts from their salary or wages on a pre-tax basis (with earnings tax-exempt until withdrawn). Employee may or may not contribute.	Section 401(a) of the Internal Revenue Code
403(b) plan	Tax-sheltered annuity of custodial account plan offered by certain tax.	Section 403(b) of the Internal Revenue Code
457 plan	401(k)-type plan offered by state and local governments and non-profit organizations.	Section 457 of the Internal Revenue Code
501(c)(18)	401(k)-type plan offered mostly by unions. Had to be set up prior to June 1959; now largely obsolete.	Section 501(c) (18) of the Internal Revenue Code
Cash Balance Plan	Employer-based hybrid plan that combines features of defined-benefit and defined-contribution plans.	Section 401(a) of the Internal Revenue Code
Federal Employee Thrift Savings Plan	401(k)-type plan offered by the federal government to its employees.	Section 8439 of Title 5 of the US Code

Retirement Plan of Account Type	What is it?	Authorized Under
Individual Retirement Account (IRA)	Vehicle for tax-deferred retirement saving controlled by individuals rather than employers. Many IRAs were previously employer-based accounts that individuals converted into an IRA treatment.	Section 408 of the Internal Revenue Code
Keogh Plan	Informal term for retirement plan available to self-employed people.	Section 401(a) of the Internal Revenue Code
Pension or traditional defined-benefit plan	Employer-based retirement plan that promises a certain benefit upon retirement, regardless of investment performance.	Section 401(a) of the Internal Revenue Code
Profit Sharing Plan	Employer-based defined-contribution plan under which employer contributions may (but need not) be linked to profits. May provide 401(k) accounts.	Section 401(a) of the Internal Revenue Code
Roth IRA	Similar to an IRA but with different income limits and tax treatment.	Section 408(A) of the Internal Revenue Code
SIMPLE 401(k)	401(k)-type plan available only to small businesses.	Section 401(a) of the Internal Revenue Code
SIMPLE IRA	Employer-based IRA available only to small business.	Section 408 of the Internal Revenue Code
Simplified Employer Plan	Employer-sponsored plan available only to small businesses; allows employers to contribute to employee accounts that essentially function as IRAs.	Section 408 of the Internal Revenue Code

4430 Property Related To the Use of Excluded Vehicles

SNAP Manual 07/01/01

Real or personal property that is directly related to the maintenance or use of a vehicle will be excluded as a resource if that vehicle is excluded as a resource because it is:

1. Annually producing income consistent with its fair market value; or
2. Used primarily (over 50 percent of the time that the vehicle is used) for income producing purposes such as, but not limited to taxis, trucks, or fishing boats; or
3. Used to transport an individual with disabilities household member.

Only that portion of real property actually involved in the maintenance or use of an excludable vehicle is to be excluded under these provisions.

EXAMPLE 1: A household owns a one-acre field but only uses 1/4 of that acre to park and maintain equipment for a self-employment enterprise. Only the 1/4-acre actually in use will be excluded. If the one-acre tract is worth $1,000, 1/4 of the value is $250. $250 would be excluded as a resource. $750 would be counted as a resource.

This method of determining the amount of resource exclusion is not affected by state or local zoning laws or by the household's ability to convert the property to a cash resource.

EXAMPLE 2: The household in example 1 above declares that the one-acre tract they own is in an incorporated industrial area. They state that local laws prevent them from selling anything less than the full one-acre tract. In spite of this, only the $250 amount for the 1/4-acre actually used will be excluded as a resource. $750 will be counted as a resource.

4440 Income Producing Property

SNAP Manual 04/01/90

Income producing property is one of the following:

1. Property that annually produces income consistent with its fair market value, even if only used on a seasonal basis. (For example, farmland that is rented only during the crop season would be excluded for the entire year). See SNAP 4441 for instructions on determining fair market value.
2. Property that is essential to the employment or self-employment of a household member. (For example, farmland that is used by a household member to produce a crop of tomatoes that is sold to a cannery would be excluded as essential to self-employment.)
3. Rental homes used by households for vacation purposes at some time during the year so long as the property annually produces income consistent with its fair market value.
4. Work-related equipment such as, but not limited to, the tools of a tradesman or the machinery of a farmer, which is essential to the employment or self-employment of a household member.

NOTE: Tools are excluded either as personal property or income producing property.

Property essential to the self-employment of a household member engaged in a farm operation may be excluded as a resource for one year from the date the farm operation is terminated. The exclusion extends to vehicles used in the farming operation SNAP 4430 as well as land and machinery used in the operation.

5. Installment contracts payable to the household. See SNAP 4570 for instructions on excluding installment contracts when the purchaser has defaulted on the agreement.

4441 Determining if Income is Consistent with Fair Market Value

SNAP Manual 07/01/01

When a county office worker must determine if property is producing income consistent with its fair market value, the property's fair market value will be based on the prevailing rate of return in the area where the property is located or used.

EXAMPLE: A house rented for $200 a month is considered to be producing income consistent with fair market value if similar houses in the same area rent for about the same amount.

When the worker cannot determine whether property is producing income at the prevailing rate of return based upon information furnished by the household, a knowledgeable source may be contacted. A knowledgeable source should, by virtue of his professional experience, be able to determine if the property is producing income consistent with fair market value. (*For real property located in Arkansas, the assessed value times 5 will be used as the fair market value. See SNAP 4712 for additional information.*) Local realtors, local FHA or Small Business Administration Offices or the tax assessor should be knowledgeable of the value of real property located outside Arkansas. Local car dealers should know the value of vehicles.

The knowledgeable source will be provided with the appropriate information and asked to determine if the property is producing income at the prevailing rate of return. Households that disagree with the assigned fair market value or prevailing rate of return may provide verification of these items.

NOTE: Property excluded as a resource because it is essential to employment does not have to produce income consistent with fair market value. For example, land used by a farmer does not have to produce any countable income to be excluded.

4450 Resources Excluded by Law

SNAP Manual 04/01/2024

The current list of resources excluded by Federal statute includes the following items:

1. As authorized by the Low-Income Home Energy Assistance Act (P.L. 99-425), the amount of home energy assistance payments or allowances provided directly to or on behalf of a household.
2. Benefits received from the Special Supplemental Food Program for Women, Infants and Children (WIC) under P.L. 92-443, Sec. 9 and P.L. 100-435, which amended Section 77(m)(7) of the Child Nutrition Act of 1966.
3. Reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646, Sec. 216).
4. Payments to Indian tribes as specified below:

- Payments received by the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation from Indian Claims Commission as designated under P.L. 95-433, Sec. 2
- Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Sec. 5);
- Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540);
- Payments received under the Alaska Native Claims Settlement Act (P.L. 92-203, Sec. 21(a) and Section 15 of P.L. 100-241, Alaska Native Claims Settlement Act Amendments of 1987 or the Sac and Fox Indian Claims Agreement (P.L.94-189);
- Payments received by certain Indian tribal members under P.L. 94-114, Sec.6, regarding sub-marginal land held in trust by the United States.
- Payments of relocation assistance to members of the Navajo and Hopi Tribes under P.L. 95-531.
- Payments to the Turtle Mountain Band of Chippewas, Arizona (P.L.97-403);
- Payments to the Blackfeet, Grosventre, and Assiniboine tribes (Montana)and the Papago (Arizona) (P.L. 97-408);
- Per capita and interest payments made to the Assiniboine Tribe of the Fort Belknap Indian Community and the Assiniboine Tribe of the Fort Beck Indian Reservation (Montana) (P.L. 98-124, Section 5);
- Per capita and interest payments made to the Red Lake Band of Chippewas (P.L. 98-123, Section 3, 10/13/83);

3B4400 Excluded Resources

16B4450 Resources Excluded by Law

- Payments to the Saginaw Chippewa Indian Tribe of Michigan (P.L. 99-346, Section 6(b)(2));
- Per capita payments to the Chippewas of Mississippi (P.L. 99-377, Section4(b), 8/8/86);
- Payments to heirs of deceased Indians under the Old Age Assistance Claims Settlement Act except for per capita shares in excess of $2,000 (P.L.98-500, Section 8, 10/17/84);
- Payments to the Puyallup Tribe of the State of Washington (P.L. 101-41, 6-21- 89); and
- Payments under the White Earth Reservation Land Settlement Act of 1985to the White Earth Band of Chippewa Indians in Minnesota (P.L. 99-264)
- Payments under the Seneca Nation Settlement Act of 1990 to members of the Seneca Nation (P.L. 101-503).
- Funds appropriated in satisfaction of judgments awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission (P.L.101- 277)
- Funds distributed or held in trust for members of the Chippewas of Lake Superior (P.L. 99-146).
- Assistance paid under P.L. 95-608, the Indian Child Welfare Act of1978.
- Payments to the Confederated Tribes of the Colville Reservation under the Grand Coulee Dam Settlement Act (P.L. 103-436).
- Funds appropriated in satisfaction of judgments awarded to the Seminole Indians by the Indian Claims commission (P.L. 101-277)
- Distributions under the Michigan Indian Claims Settlement Act, Section 111, to the Ottawa and Chippewa Indians of Michigan (P.L. 105-143)

5. Per capita payments of two thousand dollars ($2,000) and less made under Public Law 98-64 to Native Americans from judgment awards and funds held in trust by the Secretary of the Interior and purchases made with certain per capita payments to specific tribes or bands of Indians.

   This exclusion applies on a per-person and not a per-household basis. It applies individually to each payment regardless of how frequently the payments are made and regardless of the number of months for which the payment is made. When such payments are deposited in a bank or financial institution, the funds remain excluded. The length of the exclusion period will be determined by the type of funds in the account. See SNAP 4960.

The purchase exclusion extends only to purchases of property with funds distributed to Native Americans after December 31, 1981, but before January 12, 1983, under a plan approved by Congress. The exclusion applies to initial purchase only and not to subsequent purchases. Property remains excluded only if the person who originally received the exclusion holds the property. Since more than one per capita payment may have been received during the period from December 31, 1981, to January 12, 1983, the total exclusion allowed for the property may exceed two thousand dollars ($2,000).

6. Certain payments made to Vietnam veterans and/or children of Vietnam veterans. This includes:

- Payments authorized under P.L. 101-239, the Omnibus Reconciliation Act of 1989, Section 10405, the Agent Orange Settlement fund, or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No 381 (E.D.N.Y.)
- Any monetary allowances paid under P.L. 104-102, Section 1805(d), to a child of a Vietnam Veteran for any disability resulting from spina bifida suffered by such child.
- Any monetary allowances paid under P.L. 106-419, Section 1815 (a), to any individual with one (1) or more covered birth defects if he or she is a child of a female Vietnam veteran.

7. Payments to U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors under the Civil Liberties Act of 1988 (P.L. 100-383).
   Federal and other disaster relief payments. This resource exclusion applies to disaster relief payments received from the Federal Emergency Management Assistance (FEMA) under P.L. 93-288, Sec. 312 (d) as amended by P.L. 100-707, Section 105 (i) the Disaster Relief and Emergency Assistance Amendments of 1988.

   Note: This resource exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations. For payments to be excluded, the disaster or emergency must be declared by the President. This resource exclusion also applies to Disaster Unemployment Assistance paid as a result of a major disaster and to Disaster Relief Employment. See SNAP 5405, items sixteen (16) and seventeen (17) for additional information.

8. Payments received through the Radiation Exposure Compensation Act, P.L. 101-426, Sec. 6 (h) (2), 10/15/90. This law establishes a program to compensate individuals for injuries or deaths resulting from exposure to radiation from nuclear testing and uranium mining in Arizona, Nevada, and Utah.
9. Income amounts necessary for the fulfillment of a PASS (Plans for Achieving Self- Support) under Title XVI of the Social Security Act. See SNAP 4460 for additional IDA exclusions.
10. The value of assistance to children under P.L. 89-642, Section 11(b) of the Child Nutrition Act of 1966 and P.L. 79-396, the National School Lunch Act. Under P.L. 100- 435 which amended section (17) (m) (7) of this act, coupons that may be exchanged for food at a farmer's market may also be excluded.
11. Payments under P.L. 107-171, the Food Stamp Reauthorization Act of 2002, all student financial assistance. See SNAP 1622.3.
12. Payments made to individuals because of their status as victims of Nazi persecution under P.L. 103-286.
13. Earned Income Credits payments received as a lump sum or as payments under Section 3507 of the Internal Revenue Code by any household member.) A Federal earned income tax credit received either as a lump sum or as payments under section 3507 of the Internal Revenue Code is excluded for the month of receipt and the following month for the individual and that individual's spouse. Any Federal, State, or local earned income tax credit received by any household member is excluded for twelve (12) months if the household was participating in the Supplemental Nutrition Assistance Program at the time of receipt of the tax credit and if the household participates continuously during that twelve (12) month period. Breaks in participation of one (1) month or less due to administrative reasons, such as but not limited to, delayed recertification or missing or late reports is not considered as nonparticipation in determining the twelve (12) month exclusion.
14. Under the Tax Relief, Unemployment Insurance Reauthorization, and job Creation Act of 2010, Federal Income tax refund payments received as a lump sum by any household member are excluded as a resource for twelve (12) months. The total amount of a Federal tax refund after December 31, 2009 is disregarded as resource in the month received. The Federal tax refund may be the result of a refundable credit, over- withholding, or both. The resources exclusion lasts for twelve (12) months.
15. Under P.L. 103-22, compensation made to crime victims as authorized by the Crime Act of 1984.
16. Under P.L. 99-576, Veteran's Benefits and health Care Authorization Act of 1996, any amount by which the basic pay of an individual is reduced to comply with this law.
17. Funds, including interest accruing, in an individual development account (IDA) under the TANF block grant program will be excluded during any period the individual maintains or

makes contributions into such an account (P.L. 104-193). See SNAP 4460 for additional IDA exclusions.

18. Funds in Department of Housing Urban Development's (HUD) Family Self-Sufficiency Program escrow accounts are excluded as resources when determining eligibility for SNAP. When a Family Self-sufficiency program participant has an increase in earnings, the public housing authority increases his or her rent, but deposits the increase in an interest-bearing account. When the participant successfully completes the program and can verify that no household member is receiving welfare assistance, he or she receives the funds in the account. Funds may be withdrawn from the escrow account before completing the program with permission from the housing authority, but only for purposes related to goal of the FSS contract, e.g.-completion of higher education, job training, or start-up costs of a small business. Since the funds in the escrow accounts, as well as any funds withdrawn from them prior to completion of the program are not available to buy food, the funds are inaccessible-thus excluded as resources.

19. Under Section 5(g)(8)(A) of the Tax increase Prevention Act of 2014 excludes from resources the value of educational accounts in section 529 of the Internal Revenue code of 1986. In section 5(g)(8)(B), the Act further provides for a discretionary exclusion for the value of other financial accounts, as determined by the Secretary. FNS has determined that due to the similarities between 529 educational accounts and 529A ABLE accounts, ABLE accounts should be excluded as resources under the discretionary exclusion in the Act.

4451 Moved to SNAP 4300

SNAP Manual 01/01/03

3B4400 Excluded Resources

17B4451 Moved to SNAP 4300

4460 Other Excluded Resources

SNAP Manual 10/01/08

Burial Lots

One burial lot per household member will be excluded as a resource.

Cash and Counseling Demonstration

Money received from the Cash and Counseling Demonstration for Medicaid recipients is excluded as a resource. This program provides cash to certain Medicaid recipients so that they can purchase personal care services.

Earmarked Resources

Earmarked resources are governmental payments such as those made by the Department of Housing and Urban Development through the Individual and Family Grant Program or disaster loans or grants made by the Small Business Administration. Earmarked resources must be designated for the restoration of a home damaged in a disaster, and the household must be subject to a legal sanction if the funds are not used as intended.

Educational Income
Educational income will be excluded as a resource in its entirety when received by eligible students. This exclusion includes all federal, state and privately funded educational assistance including VA educational assistance paid under the Montgomery GI Bill.

Educational Savings
Educational savings/account plans that receive tax-preferred status under the federal tax code are excluded as a resource to the household.

- Section 529 qualified tuition program, which allows owners to prepay a student's education expenses or to contribute to an account to pay those expenses.
- Coverdell education savings account, an IRA type of account designed to pay a student's education expenses.

Indian Lands
Lands held jointly with the tribe, or lands that can be sold only with the approval of the Bureau of Indian Affairs are considered Indian Lands. Indian Lands are excluded as a resource.

Individual Development Accounts
Funds, including interest accruing, in an individual development account under the TANF block grant program will be excluded during any period the individual maintains or makes contributions into such an account (P.L. 104-193).

Under the Family Savings Initiative Act of 1999 (Arkansas Act 1217) households with low income and few assets may accumulate assets by opening an individual development account (IDA). An IDA Program participant must be a resident of the State of Arkansas and a member of a TEA recipient family or a member of a family with income below 185% of the federal poverty level. The family must have a net worth of $10,000 or less disregarding their primary dwelling and one motor vehicle. Account contributions are matched at a rate of $3.00 for each $1.00 contributed by the account holder. Matching dollars may not exceed $2,000 per account holder or $4,000 per household.

A Family Savings IDA may be used for any of the following reasons:

- Home purchase (limited to qualified first-time home buyers) *
- Business capitalization*
- Post-secondary educational expenses*
- Individual retirement account
- Vehicle purchase or repair (if not the sole purpose of the IDA)

(* If Federal TANF funds are used as a match, only purposes 1, 2 and 3 are allowable.)

The value of the IDA is not a countable resource. Matching funds deposited into the account will not be counted as income. (See SNAP 5413.1.)

Funds in Department of Housing and Urban Development's (HUD) Family Self-Sufficiency Program escrow accounts are excluded as resources when determining eligibility for SNAP. When a Family Self-sufficiency program participant has an increase in earnings, the public housing authority increases his or her rent, but deposits the increase in an interest-bearing account. When the participant successfully completes the program and can verify that no household member is receiving welfare assistance, he or she receives the funds in the account. Funds may be withdrawn from the escrow account before completing the program, with permission from the housing authority, but only for purposes related to the goal of the FSS contract, e.g. – completion of higher education, job training, or startup costs of a small business. Since the funds in the escrow accounts, as well as any funds withdrawn from them prior to completion of the program are not available to buy food, the funds are inaccessible - thus excluded as resources.

The Good Faith Fund is operating a demonstration program called the Savings for Education, Entrepreneurship, and Down Payment (SEED) Program. The Program helps 3 and 4-year-old child and their families save and plan for college. A savings account is opened and initially deposited with $500, which will be matched by $500 deposited by the Good Faith Fund. Any deposits made by the household will be matched dollar for dollar by the Good Faith Fund. Withdrawal from a SEED account requires two signatures – the account holder and a designated employee of the Good Faith Fund. The Good Faith Fund will not permit withdrawal unless there is a documented emergency – e.g., so the child will not be without shelter or medical care. The SEED account will be excluded as a resource and any deposits made by the Good Faith Fund into the child's savings account will be excluded as income per SNAP 5413.1.

Prorated Income

Monies that have been prorated and considered as income are excluded as a resource. For example, annualized or prorated self-employment income is excluded as a resource during the period it is being counted as household income. Refer to SNAP 5630 for the procedures for handling self-employment income.

4470 Verification of Excluded Resources

SNAP Manual 08/01/98

Excluded resources will be verified when questionable. Acceptable verification includes documentation or collateral contacts, which establish that the resource is excludable.

4480 Documentation of Excluded Resources

SNAP Manual 08/01/98

The county office worker must document:

1. The type of resource;
2. The status of the resource as excluded;
3. The reason for the exclusion.

4500 Inaccessible Resources

SNAP Manual 07/01/01

Inaccessible resources are resources with a cash value not accessible to the household. Inaccessible resources include the following:

1. Irrevocable trust funds SNAP 4510
2. Property in probate SNAP 4520
3. Real property for sale SNAP 4530
4. Resources of residents of shelter for battered women SNAP 4540
5. Security deposits SNAP 4550
6. Non-liquid resources against which a lien was placed to obtain a business loan SNAP 4560
7. Installment contracts that are not producing any income SNAP 4570
8. Resources unlikely to produce any significant amount of funds if sold SNAP 4580

4510 Irrevocable Trust Funds

SNAP Manual 09/01/92

Any funds in or transferred to a trust and the income produced by that trust are considered inaccessible if all of the following conditions exist.

1. The funds held in irrevocable trust are **either**:
    - **a.** Established from the household's own funds and used by the trustee solely to make investments on behalf of the trust or to pay the educational or medical expenses of the beneficiary; **or**
    - b. Established from non-household funds by a non-household member, and totally unavailable to the household.

NOTE: If the household can petition the court to obtain money from a trust for reasons such as purchasing personal items or paying living expenses, the fund is not considered an irrevocable trust.

2. The trust arrangement will not likely cease during the certification period, and no household member has the power to revoke the trust arrangement or to change the name of the beneficiary.
3. The trustee administering the funds is a:
    - a. Court, institution, corporation, or organization not under the direction or ownership of any household member; or

b. An individual appointed by the court that has court-imposed limitations placed upon the use of the funds.

4. The trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a household member.

The status of the trust account must be verified if questionable. Acceptable verification of inaccessible trust accounts include:

a. Statements from the financial institution managing the trust describing the terms of the trust; **or**

b. Court orders or letters from the court describing the terms of the trust.

The county office worker must document:

a. The amount of the trust fund;
b. The name of the person for whom the account is held in trust;
c. The name of the trustee, and the name of the financial institution handling the trust;
d. The reasons for the decision to consider the trust accessible orinaccessible.

4520 Property in Probate

SNAP Manual 10/01/86

Property that household members expect to inherit following a decision of the court is considered an inaccessible resource.

Property that is in probate must be verified if questionable. Acceptable verification includes:

a. A statement from an attorney; or
b. A legal document, such as a court order.

The county office worker must document:

a. A description of the property the household expects to inherit;
b. When the household expects to receive the property; and
c. If verification is required, why the inaccessible resources were considered questionable, and the verification obtained.

4530 Real Property for Sale

SNAP Manual 10/01/86

Real property that the household is making a good faith effort to sell at a reasonable price is considered an inaccessible resource.

Verification of real property for sale must be supplied if the status of the property is questionable. The worker will accept as proof of a good faith effort to sell real property at a reasonable price any of the following:

1. Collateral statements,
2. Listings from real estate brokers, or
3. Advertisements in local newspapers.

The worker must document:

a. Information about the property for sale - i.e. number of acres of land, location of house, etc.; and
b. The information used to establish a good faith effort to sell the property at a reasonable price.

4540 Resources of Residents of Shelters for Battered Women and Children

SNAP Manual 10/01/86

Resources are considered inaccessible to residents of shelters for battered women and children if:

1. The resources are jointly owned by the residents and any members of their former household; and
2. The resident's access to the value of the resources is dependent upon the agreement of a joint owner who still resides in the former household.

The county office worker must verify that resources of shelter residents are inaccessible only when questionable. In no instance will the worker request verification if such verification will jeopardize the safety of the resident.

Acceptable verification includes:

a. Bank statements, pass books or correspondence indicating that an account is jointly owned;

b. Car payment books or loan agreements indicating that vehicles are jointly owned; or
c. Payment books, loan agreements, or correspondence indicating that property is jointly owned.

Collateral contacts may be used as verification only if the resident has designated the collateral; and contact with the collateral will not jeopardize the safety of the resident.

The worker must document why the resources of the resident are inaccessible. If inaccessibility is questionable, documentation must include:

a. Why the inaccessibility is questionable; and
b. How the questionable information was resolved. Due to the resident's special circumstances, questionable resources will be resolved through available sources. The co-owner of the resources must not be contacted.

4550 Security Deposits

SNAP Manual 10/01/87

Deposits paid by the household to secure rental property or utilities are considered inaccessible resources.

NOTE: Security deposits become accessible resources when they are refunded to the household.

If questionable, the county office worker must accept as verification of security deposits receipts or statements from the holder of the deposit.

The county office worker will document:

a. The nature of the questionable information;
b. How the questionable circumstances were resolved; and
c. The method/document used to verify the deposits.

4560 Non-Liquid Resources Against Which a Lien is Placed

SNAP Manual 10/01/87

Non-liquid resources such as land, crops, buildings, timber, farm equipment, or machinery will be considered an inaccessible resource if all the following conditions are met:

1. A lien has been placed against the property;
2. The lien results from a member of the household having obtained a business loan;

3. The owner of the business has agreed not to sell the property until the note is paid. (This insures that the creditor's collateral interest is protected.)

This exclusion will not apply if the property owner could sell the mortgaged property and use the proceeds to pay off the loan. It applies only when the household is prohibited by the agreement from selling the mortgaged property.

4570 Installment Contracts as Inaccessible Resources

SNAP Manual 10/01/87

Installment contracts are agreements under which an individual receives a monthly payment on property which has been sold. See SNAP 5710 for instructions on determining the amount of income received under an installment contract, which is to be counted as income in the SNAP budgeting process.

When installment contracts are not producing any income because the purchaser is defaulting on the payments, the contract is considered an inaccessible resource. This is true until the property legally reverts back to the seller.

4580 Resources Unlikely to Produce Significant Return

SNAP Manual 07/01/01

A resource is considered inaccessible if, as a practical matter, the household is unable to sell the resource for any significant return. A significant return is any return estimated to be more than $1,500 after estimated costs of sale or disposition and taking into account the ownership interest of the household.

EXAMPLE: A household member owns a lot jointly with three siblings who are not household members. The lot is valued at $4,000. Costs of selling the lot are estimated at$500. $4,000 - $500 = $3,500 / 4 = $875. $875 is less than $1,501.

This policy does not apply to stocks or bonds or to other negotiable financial instruments. It does apply to vehicles. See SNAP 4860.

Verification of the value of a resource to be excluded will be required only if the information provided by the household is questionable.

4600 Determining and Verifying Countable Resources

SNAP Manual 04/01/2024

To determine a household's total countable resources, the county office worker must consider the resources available to all eligible household members and the resources available to any household member disqualified for one of the following reasons:

1. Intentional Program Violation;
2. Failure to comply with the SSN requirement;
3. Failure to comply with the SNAP E&T Program or Workfare.

The countable resources of ineligible aliens are also considered if the alien would otherwise be considered a household member.

Listed below are examples of liquid resources.

1. Bonds.
2. Cash on hand includes electronic accounts such as Cash App, Venmo, PayPal, Zelle, or other similar applications or electronic accounts that may exist in the future.
3. Funds held in individual retirement accounts (IRA's).
4. Funds held in Keogh Plans (when held solely by the household members).
5. Money in checking or savings accounts including Christmas clubs and children's accounts. (See SNAP 4601 for information about ownership of bank accounts.)
6. Mutual Funds.
7. Savings certificates. (*See SNAP 4601 for information about ownership*.)
8. Stocks.
9. Funds that may be withdrawn (less a one thousand five hundred dollars ($1,500) per-person disregard) from prepaid burial plans without a contractual obligation to repay. (See SNAP 4602.

Liquid resources must be verified at initial application and thereafter when a new liquid resource is reported or when information about previously reported resources is incomplete, inaccurate, inconsistent, or outdated. Applications that attest to resources exceeding the resources limit must be verified; if verification of excess resources is not received, the application will be denied for failure to return requested information. A full description of each type of resource, acceptable verification, and documentation is contained in SNAP 4601 - 4670.

4601 Ownership of Liquid Bank Accounts

SNAP Manual 01/01/99

When a SNAP household member holds a joint bank account or certificate of deposit with a member of another household and this ownership will make the household ineligible for SNAP benefits, the county office worker must determine how much, if any, of the funds will be counted a resource to the household. This determination will generally be based upon ownership of the funds.

Ownership is defined as to have or to hold as property or to possess. Normally, a person is considered as the owner of funds in a bank account if that person earned, received, or was given the funds that were deposited into the account. For example, a SNAP household is not considered to be the owner of the funds in an account when no household member earned, received, or was given any of the funds in the account.

The owner of the bank account is usually the one who deposits the money into the account or for whom deposits are made.

EXAMPLE: An elderly client deposits her social security checks into a checking account each month. Her daughter's name has been added to the account. None of the daughter's funds have been deposited into the account. The client is the sole owner of the account.

There are exceptions.

EXAMPLE: A legally married husband and wife are considered joint owners of the funds in a bank account as long as both names appear on the account. This is true regardless of which spouse deposits money to the account.

Ownership of funds in jointly owned bank accounts will be established through written statements from each of the joint owners. In the event that at least one of the joint owners cannot be located or refuses to cooperate, the worker will attempt to establish ownership of the funds in the account through collateral contact. Suggested sources of collateral contact include bank officers, attorneys, accountants or friends or relatives familiar with the arrangements of the co-owners of the bank account.

If no collateral contact familiar with the arrangement can be located or will cooperate, the household may be certified based only upon the written statements of any co-owner who is a household member. However, all efforts to obtain verification must be fully documented in the case record. Such documentation must contain a statement of why any collateral contact received could not be used.

If none of the money is owned by the SNAP household but the owner states the household is permitted to use some or all of the money in the account, then the amount that the household

has been given permission to use will be counted as a resource. In this situation, ownership is transferred to the SNAP household.

4602 Prepaid Burial Plans

SNAP Manual 01/01/99

NOTE: This policy does not apply to burial insurance. Insurance policies, including burial insurance, are totally excluded as a resource. See SNAP 4420.

Prepaid burial plans purchased from funeral homes, insurance companies, etc. are totally excluded to the extent the money in the prepaid account is inaccessible to the household. A prepaid burial fund is inaccessible when the household is not allowed to withdraw money from the account or is only allowed to withdraw funds with a written agreement to repay the missing funds. Even if funds are never withdrawn from a prepaid burial plan, the ability to make withdrawals is sufficient to qualify the funds in these plans as a resource.

Funds, which may be withdrawn from prepaid burial plans without a written agreement to repay the funds, are considered to be an accessible resource; however, a disregard of $1,500 per individual applies to accessible prepaid burial plans.

EXAMPLE: A household consists of a man aged 75 and his wife age 75. Both the man and his wife have prepaid burial plans in the amount of $2,500. The funds in both accounts are accessible. To calculate the amount of countable resources, the worker will subtract $1,500 from each account. $2,500 - $1,500 = $1,000. $1,000 x 2 = $2,000. The amount of countable resources in the prepaid burial plans is$2,000.

4610 Bonds

SNAP Manual 07/01/01

The total current surrender value of all bonds held by the household will be considered a countable resource. Cash surrender value of bonds is determined by use of a schedule. Schedules may be obtained from the household or from a bank, savings and loan, or broker. Information about the redemption value of U. S. Savings Bonds may be obtained from most banks or through the internet at http://www.savingsbonds.gov/BC/SBCPrice. Information is also available from:

Federal Reserve Bank
325 W. Capitol
Little Rock, AR 72201

Acceptable forms of verification include:

a. The bonds and verification of redemption value; or
b. Collateral contact with the broker, attorney, or bank handling the bonds. The collateral must specify the number of bonds held by the household and the current redemption value.

Documentation must include:

a. The type of bond;
b. The number of bonds held by the household;
c. The current cash surrender value of each bond;
d. The figures used to determine the total value of the bonds; and
e. The verification obtained.

4620 Cash on Hand

SNAP Manual 02/01/95

The current amount of cash on hand (less any current income) will be considered a countable resource.

The household's statement will be accepted as verification of cash on hand.

Documentation must include:

a. The total amount of cash on hand available;
b. The amount of cash on hand which is current income;
c. The figures used to determine cash on hand less currentincome.

4630 Individual Retirement Accounts (IRAs)

SNAP Manual 10/01/08

DELETED 10/01/08, please see chart in SNAP 4421.

4640 Keogh Plans

SNAP Manual 10/01/08

DELETED 10/01/08, please see chart in SNAP 4421.

4650 Money in Checking and Savings Accounts

SNAP Manual 07/01/01

The current amount in any checking account, savings account, money market account, or credit union account (less any current income) will be considered a countable resource. This includes accounts established for minor children (except trust funds as specified in SNAP 4510 and special accounts such as Christmas clubs. Also included are accounts belonging to non-household members when a household member has access to such accounts. See SNAP 4601 for instructions on determining ownership of and access to such accounts.

NOTE: Interest paid on checking and savings accounts will be considered income and handled as specified in SNAP 5711.

Acceptable verification includes updated passbooks; current bank statements; or collateral contact with the bank that specifies the household's current balance and recent withdrawals or deposits. The period of time for which withdrawals or deposits must be indicated may be specified by the caseworker. The caseworker will consider the balance declared by the household, the current income, and any large amounts of income recently available to the household.

Documentation must include:

a. The current amount in each checking and/or savings account;
b. Any current income included in the accounts;
c. The figures used to calculate the countable resource amount; and
d. The verification obtained.

4651 Mutual Funds

SNAP Manual 10/01/87

The total amount currently invested by a household in a mutual fund will be considered a countable resource unless the mutual fund is a retirement account set up by an employer that is inaccessible to the household.

Mutual funds are accounts set up with money deposited by a group of individuals. Usually, a minimum deposit is required and the depositor is said to "own" so many "shares" of the mutual fund. The money in the fund is used by a manager/broker to make a variety of investments on behalf of the investor. For example, the funds may be placed in CD's or used to purchase stocks or bonds. In return, each investor receives a pro-rata share of any profits from the investment.

NOTE: The income received as profits from the fund will be considered unearned income in the month received or will be prorated over the period of intended use.

Normally, the money invested in a mutual fund is accessible to the household. Although there may be a 6-to-7-day delay in the receipt of the money; usually, there is not a penalty for withdrawal. When a household has funds in a mutual fund set up as a retirement account by a member's employer, the household may not have access to the funds or may only have limited access. Such situations will be evaluated on a case-by-case basis.

Acceptable verification of the amount invested in a mutual fund includes a current statement from the fund; or collateral contact with the financial institution handling the fund. In the case of mutual funds set up as a retirement fund, a statement from the employer. This statement should also verify the household's accessibility to money invested in the fund.

Documentation must include:

a. The name of the financial institution, broker etc. managing the fund;
b. The amount the household currently has invested in the fund; and
c. If the fund is a retirement fund, the terms under which the household may gain access to the money in the fund.

4660 Savings Certificates

SNAP Manual 10/01/87

The total current amount of money held in savings certificates (i.e. - certificates of deposits) will be considered a countable resource. Penalties that might be extracted for early withdrawal will not be deducted. Any certificates owned by a non-household member are a countable resource when a household member is a co-owner and the certificate is accessible to the household member. To determine if the certificate is available to the household member, the worker must review the terms of the contract. For example, if the certificate specifies that the certificate would be payable to the household member only upon the death of the owner, the funds are considered inaccessible. See SNAP 4601 for instructions on determining ownership of and access to such accounts.

NOTE: Interest paid on savings certificates will be considered income and handled as specified in SNAP 5711.

Acceptable verification includes current statements of account or collateral contact with the financial institution. The collateral must specify the current value of the savings certificate and

the most recent interest payment. The certificate itself will be acceptable only if it reflects the current amount in the account.

The worker must verify accessibility to jointly owned certificates when questionable. Acceptable verification includes the certificate if it establishes the terms of the co-ownership or collateral contact with an attorney or lending institution if the contact establishes the terms of the co-ownership.

Documentation must include:

a. The kind of savings certificate;
b. The terms of the certificate (i.e., when it will come to maturity);
c. The owner or owners of the certificate; and
d. The current amount of thecertificate.

When establishing accessibility to jointly owned accounts, the worker must document:

a. The terms of the co-ownership;
b. Whether or not the terms of the co-ownership were considered questionable; and
c. If co-ownership was considered questionable, how the terms were verified.

4670 Stocks

SNAP Manual 07/01/01

The current per-share value multiplied by the total number of shares held by the household will be considered a countable resource. Anticipated sale costs like broker's fees are not deductible. To determine the current per-share value of stocks, the county office worker may refer to the stock exchange report in the current daily newspaper. For stocks not listed in the newspaper, the worker may obtain the information from an internet site, may contact a stockbroker, local financial institution, or the company that issued the stock.

Acceptable verification of the number of stocks held includes the stock certificates or collateral contact with the broker, local financial institution or the company issuing the stock. The contact must verify the name of the stock and the number of shares held by the household.

Acceptable verification of per-share amount includes an original or copy of the most recent stock exchange report from a daily newspaper or documentation of the contact with a stockbroker, financial institution, or the company that issued the stock. If the value of the stock was verified via the internet, the internet page must be printed and filed in the case record as documentation.

38B4670 Stocks

Document must include:

1. The name of the stock;
2. The number of the stocks held by the household;
3. The per-share value;
4. The figures used to calculate the total value of the stock; and
5. The verification obtained.

When stock is sold, the household is converting a resource from one form to another. The net amount received will be considered a liquid resource.

4700 Non-Liquid Resources

SNAP Manual 06/01/90

Non-liquid resources are non-excluded, accessible assets such as land or vehicles that may be converted to cash such as, but not limited to, the non-liquid resources listed below.

1. Buildings/houses/mobile homes not used as the household's residence.
2. Burial lots in excess of one per householdmember.
3. Vacation homes/time-share condominiums/RV-park shares.
4. Vehicles (licensed and unlicensed) including cars, trucks, vans, recreational vehicles, motorcycles, all-terrain vehicles, golf carts, go-carts, mopeds, campers, and boats/boat motors/boat trailers.
5. Any personal property not specifically excluded in SNAP4420.
6. Land not excluded in SNAP 4410.

4712 Countable Resource Value of Non-Liquid Resources

SNAP Manual 06/01/90

For all non-liquid resources except vehicles, the equity value will be considered a countable resource. (See SNAP 4850 for instructions for determining the countable resource value of vehicles.) The equity value is the fair market value of the resource less encumbrances.

Generally, fair market value is the price which a willing seller could obtain for a property from a willing buyer. Fair market value is usually dependent upon several factors including the condition of the property and the rate at which similar property is being sold.

For SNAP purposes, the fair market value of real property located in Arkansas will be the current assessed value times 5. (The current assessed value represents 20% of the fair market value. By multiplying the assessed value X 5, the current fair market value will be obtained.) For example, if the assessed value is $250, the caseworker must multiply $250 X 5 to obtain fair market value. $250 X 5 = $1,250. $1,250 is the fair market value.

NOTE: To establish the fair market value of real property located outside Arkansasor of personal property, the caseworker is not required to use the assessed value.

Encumbrances are defined as the balance of the debt owned on the property excluding interest payments and other fees.

4713 Verification of Non-Liquid Resources (Excluding Vehicles)

SNAP Manual 06/01/90

Non-liquid resources will be verified when the household makes application for SNAP for the first time, the household declares the resource for the first time; or information about the resource becomes incomplete, inaccurate, inconsistent, or outdated. See the Glossary definition of Verification for additional information.

NOTE: If the declared equity value of the resource makes the household ineligible, no verification will be requested.

Acceptable verification of fair market value of real property located in Arkansas is a statement from the assessor in the county in which the property is located. This includes the household's notice of reappraisal and/or a tax bill if it reflects the assessed value of the property after the reappraisal.

Acceptable verification of fair market value of real property located outside Arkansas is a statement from a source knowledgeable of the fair market value of the property. Examples of such sources include local realtors, local Farmer's Home employees, or local tax assessors.

Acceptable verification of an encumbrance may include payment books, bank schedules, or a statement from the lender specifying the total principle amount of the indebtedness. Any verification of an encumbrance must specify the amount of the principle owed.

4714 Documentation of Non-Liquid Resources

SNAP Manual 10/01/87

Documentation of non-liquid resources must include:

a. A complete description of the non-liquid resource (*This includes the legal description of real property if it is available.*);
b. The household's statements regarding the fair market value of the non-liquid resource and any encumbrances; and
c. A statement of whether the declared value of the non-liquid resource is questionable.

If the declared value of the resource is questionable, the documentation must provide the following information:

a. Why the value of the non-liquid resource is questionable; and
b. The verification obtained.

6B4700 Non-Liquid Resources

41B4714 Documentation of Non Liquid Resources

Also, the worker must document the figures used to determine the equity value of a non-liquid resource.

4800 Vehicles

SNAP Manual 07/01/01

All vehicles, licensed and unlicensed, must be evaluated to determine how much, if any resource value will be counted in the SNAP budget. The term vehicle includes cars, trucks, vans, recreational vehicles, motorcycles, all-terrain vehicles, golf carts, go-carts, mopeds, campers, and boats/boat motors/boat trailers. "Junked" cars must be evaluated as well.

A licensed vehicle is a vehicle currently licensed by a state to operate on public roads and highways. Vehicles that bear a temporary dealer's permit are considered licensed.

An unlicensed vehicle is one that is not currently licensed by a state to operate on public roads and highways. This includes expired licenses. Unlicensed vehicles will be evaluated even if they are not running.

Resource value is determined for each vehicle individually.

4810 Ownership of Vehicles

SNAP Manual 07/01/01

Questions about the ownership of a vehicle arise when:

- The title to a vehicle is held jointly in the name of two people but only one person has possession of the vehicle;
  OR
- The title is held solely by one person, but the vehicle is considered to belong to someone else because that person is paying for the vehicle and drives and maintains the vehicle.

EXAMPLE: A parent allows his child to purchase a vehicle in his name because the child cannot get the necessary credit approval.

Under Arkansas law, when one person buys property using the money or assets of another person, that property actually belongs to the person who furnished the money or assets to purchase the property. Therefore, when the title to an automobile is held by a member of a SNAP household, yet he or she verifies that he or she has no access to the vehicle and is not paying for the vehicle, the vehicle should not be counted as a resource to his or her household. (*The vehicle will be considered a resource to the household of the person who furnished the money to purchase the vehicle and who drives and maintains the vehicle.*)

In these instances, the household will be asked to provide verification that someone other than a household member is making payments on the vehicle and is driving and maintaining the vehicle. Verification of non-accessibility must be in the form of canceled checks or money order receipts that show the name of the person who actually makes the car payments and other documents (gas tickets, repair bills, etc.) that show this vehicle is being used and maintained by a person who is not a household member. In the absence of any of these documents, the household may provide collateral statements to verify the vehicle is inaccessible.

NOTE: This policy will not be applied to those situations where one person owns a vehicle but allows another person to drive it. The policy will only apply when the person who has possession of the vehicle is making payments on the vehicle and is using his own funds to maintain the vehicle.

4820 Leased Vehicles

SNAP Manual 07/01/01

Generally, a leased vehicle will not be considered a resource unless the title to the vehicle is registered in the customer's name and the lease stipulates that the payments are credited towards ownership of the vehicle. Each lease must be evaluated individually to determine if the payments can be credited towards ownership of the vehicle.

- A "Smart Buy" lease leads to ownership of the vehicle. The person who purchases a vehicle under the "Smart Buy" plan is considered to be the vehicle's owner immediately at the time of purchase. Vehicles purchased under a "Smart Buy" plan will be considered a resource to the household.
- An open-ended lease provides the customer an option to buy at the end of the lease period. Each open-ended lease must be evaluated individually. Generally, open-ended leases with the car title in the dealership's name are not considered a resource to the household and open-ended leases with the car title in the customer's name are considered a resource to the household.
- A close-ended lease does not provide the customer with an option to buy at the end of the lease period. A vehicle listed under a close- ended lease will not be counted as a resource to the household.

4830 Vehicles Owned by Categorically Eligible Households

SNAP Manual 07/01/01

If a household is categorically eligible under the definition in SNAP 1920, all resources, including any vehicles, licensed or unlicensed, owned by household members, will be excluded.

4840 Excluded Vehicles

SNAP Manual 01/01/07

Each SNAP household may exclude at least one vehicle, licensed or unlicensed. If a household owns only one vehicle, that vehicle will be excluded. The DHS county office worker will document that the household owns only one vehicle and that vehicle is excluded.

If a household owns more than one vehicle, the county office worker must establish if any of those vehicles can be excluded under the rules provided below. Under these rules, any vehicle, licensed or unlicensed, owned by the household will be excluded as a resource if:

- The vehicle is necessary for the employment of a household member. Vehicles necessary for employment include only those used for job-related travel other than travel back and forth to the job site. This includes vehicles such as, but not limited to, vehicles used by traveling salespeople or migrant farm workers following the job stream or home health aides traveling from home to home. This exclusion applies during temporary periods of unemployment when the vehicle is in use.
- The vehicle is classified as an income producing vehicles. Income producing vehicles are those vehicles used primarily (over 50% of the time) for income producing purposes or those vehicles annually producing income consistent with their fair market value even if used only on a seasonal basis. See SNAP 4870 for instructions on determining fair market value. This exclusion applies during temporary periods of unemployment when the vehicle is not in use. For example, a taxi retains its exclusion while the driver is ill and unable to work, or a migrant's vehicle retains its exclusion if the migrant temporarily leaves the job stream. A vehicle essential to the self-employment of a household member engaged in a farming operation may continue to be excluded as a resource for one year from the date the farm operation was terminated. See SNAP 4440 for additional information.
- The vehicle is used as the household's residence. This includes boats, campers, travel trailers, and travel homes when used as the household's principal residence.
- The vehicle is used to transport an individual with disability household member. (*This exclusion will not apply to disabilities based strictly on a mental condition.*) Any vehicle

may be excluded under these provisions as long as the vehicle issued to transport an individual with disability household member. There is no requirement that the vehicle be either a special type of vehicle or be specially equipped. There is a limit of one vehicle per individual with disabilities member.

- Individual with disabilities, as it relates to the exclusion of a vehicle to transport a individual with disability, means either a permanent or a temporary disability. Permanent disabilities are those that entitle an individual to receive a disability check from a source such as Social Security, SSI, or VA. Temporary disabilities are conditions such as, but not limited to, a broken leg, the recovery period following major surgery or conditions that require ongoing treatment such as dialysis or chemotherapy. (Vehicles owned solely by a SSI recipient are excluded under the provisions in SNAP 4300.)
- If the disabling condition is not obvious to the county office worker, the household will be asked to furnish verification. Acceptable verification includes receipt of a check based on the disabling condition or a statement from a physician or other health professional such as a physical therapist. The worker must document the cause of the disability and the period of time during which the disabling condition is expected to continue.

- The vehicle is necessary to carry the primary source of fuel for heating or water for home use. Households without either heating fuel or water piped into their homes may exclude one vehicle without meeting further tests about the capability or actual use of the vehicle. For the purpose of applying this exclusion, all-electric homes will be considered to have fuel "piped in" if the household has electric heating devices in the home. The exclusion will apply for the entire year so long as the household expects to use the vehicle to haul fuel and/or water at some time during the year.

EXAMPLE 1: A household uses a four-wheel drive vehicle to haul firewood. The firewood is used in a wood furnace that is the household's primary source of heat. The vehicle is totally excluded as a resource.

EXAMPLE 2: A household must haul its water from a neighbor's house. Since they use their only vehicle to haul the water, this vehicle will be totally excluded as a resource.

EXAMPLE 3: A home is equipped with an electric heat pump. However, the household actually uses a wood heater as its primary source of heat. The household uses one of its vehicles to cut and haul the wood off of its property. The vehicle will be excluded as a resource.

Verification that the household does not have either water or heating fuel piped into its home may be requested if the household's statements are questionable. Households (including all electric homes) which have both fuel and water piped into the home must verify that the excluded vehicle is used to transport the household's primary source of heating fuel or water. Verification may be obtained through utility companies, collateral contacts, or through documentary evidence such as receipts for the purchase of wood.

If there are licensed or unlicensed vehicles remaining after these exclusions have been applied, **one remaining vehicle will be excluded**. Normally, this will be the most expensive vehicle unless it would be more advantageous to the household to exclude another vehicle. See SNAP 4850 below for additional instructions.

4850 Determining the Countable Resource Value of Licensed Vehicles

SNAP Manual 01/01/07

Each SNAP household may exclude at least one vehicle as a resource. Other additional vehicles may be excluded if they meet one of the conditions in SNAP 4840.

The resource value assigned to all **non-excluded** vehicles for purposes of determining SNAP eligibility will be either:

- The fair market value less a $4,650 limit; or
- The equity value (fair market value less encumbrances).

See SNAP 4851 for instructions on determining fair market value.

Fair market value less $4,650 will be assigned to:

- One non-excluded licensed vehicle per adult (age 18 or older) household member.
- Any additional licensed non-excluded vehicles **driven** by a household under age 18 to commute to work or school or to look for work.

When a non-excluded vehicle has a fair market value of less than $4,650, no resource value is counted when SNAP eligibility is determined. When the fair market value exceeds $4,650, only the amount that exceeds the $4,650 benchmark is counted as a resource.

For all other non-excluded vehicles both licensed and unlicensed, the GREATER OF the vehicle's fair market value less $4,650 OR the vehicle's equity value will be counted as a resource.

EXAMPLE 1: A household owns a licensed 1996 Plymouth Neon that is not excluded. The current fair market value of the vehicle is $4,575. $4,575 - $4,650 = 0. No resource value is counted.

EXAMPLE 2: A household owns a 1998 Escort GT that is not excluded. The current fair market value of the vehicle is $7,050. Only $2,400 is counted as a resource. ($7,050 fair market value – $4,650 benchmark =$2,400.)

EXAMPLE 3: A household owns a non-excluded all-terrain vehicle (ATV) that is not licensed. The fair market value, according to the dealer is $5,000. The household owes $4,000 on the ATV. The fair market value less $4,650 is $350. The equity value is $1,000. $1,000 will be counted as a resource to the household. (See SNAP 4860 for instructions on determining accessibility.)

EXAMPLE 4: A household owns a non-excluded boat, motor, and trailer with a fair market value of $1,000. The household values the boat and motor at $500. The fair market value less $4,650 is zero. The household owes nothing on the trailer The household values the trailer at $500. The fair market value less $4,650 is zero. The equity value is $1000 for the boat, motor and trailer. $1000 will be counted as a resource to the household. (See SNAP 4860 for instructions on determining accessibility.)

4851 Determining Fair Market Value

SNAP Manual 01/01/07

Fair market value will be based on the wholesale value as verified by one of following free web sites:

- CarPrices.com
- Autopricing.com
- Intellichoice.com
- Edmunds.com
- Kelley Blue Book (kbb.com).

No other web sites will be considered acceptable. When the wholesale value is not available, a comparable value (i.e., trade-in or loan value) must be used. The DHS county office worker will print a copy of the web page showing the vehicle value and file it in the case record.

7B4800 Vehicles

47B4851 Determining Fair Market Value

Fair market value is the average trade-in value of the vehicle as listed on the selected web site unless the household disputes the value and presents conclusive proof that the information obtained from the web site is inaccurate.

NOTE: The value of special or optional equipment or low mileage will not be considered when determining the average trade-in value of a vehicle.

When a non-excluded vehicle is too new to appear on the web sites, the worker may determine the current average **trade-in** value by contacting a local car dealer or by consulting a recent newspaper ad for **used cars** of the same make, model, and year. (A copy of the ad should be placed in the case record as documentation.) Information such as contracts for purchase may be inaccurate because vehicles decrease in value substantially once they become "used."

When a non-excluded vehicle is too old to appear on the web sites, the worker may accept the household's statement of value if the statement is not questionable. To determine if the statement is questionable, the worker will consider the age and make of the vehicle. For example, luxury cars such as Cadillac's, Mercedes, and Porsches do not lose value as quickly as other cars. A four-wheel drive vehicle will usually retain a high value also. Antique vehicles may have a high resale value if such vehicles have been properly maintained or have been restored. If the assigned value is questionable and information about the vehicle cannot be found on any of the designated web sites, the worker may accept a statement from a dealer or a copy of a newspaper ad for a similar vehicle. (A copy of the ad should be placed in the case record as documentation.)

A household may indicate that for some reason such as body damage, inoperability due to motor failure or other major malfunction, or high mileage, a vehicle is in less than average condition. Households are allowed to contest the web sites value of a vehicle when its depreciated condition, in comparison with the average condition of the same make, model, and year of vehicle, makes its value "less than average." The worker may accept statements from reputable repair shops to verify high mileage motor failures or other major malfunctions. Police reports or insurance documents may be accepted as proof of the current condition if a vehicle has been wrecked. Other proof may be accepted if it is conclusive in the worker's judgment.

The fair market value of non-excluded unlicensed vehicles is determined in the same manner as the fair market value of non-excluded licensed vehicles. See SNAP 4851 above.

EXAMPLE: A household owns a 1968 Ford Thunderbird that is currently being restored. It is unlicensed. The household estimates that the current fair market value of the

Thunderbird is $1,000. The household owes nothing on the car. $1,000 will be added to the household's other resources.

Normally, the fair market value of a "junked" vehicle will be the price the household anticipates it could receive if the vehicle were sold for scrap. Antique car and truck bodies may sell for more if they are in a condition to be restored. The worker will accept the household's statement of the value of a "junked" vehicle unless it is questionable. For vehicles that do not appear on the web sites, the vehicle's current value may be substantiated by statements from dealers or newspaper ads. (See above.)

It is the household's responsibility to provide conclusive proof of the vehicle's current fair market value. If documentation submitted by a household is inconclusive or questionable, the worker may request additional documentation. Or, the worker may contact collateral sources such as dealers to determine how the value was assigned to the vehicle. Before contacting the dealer, the worker may wish to consult publications similar to the "NADA Book" or may check newspaper ads to determine the value of similar vehicles.

The worker must document:

1. Why the documentation provided is considered questionable or inconclusive - e.g. was the value stated by a dealer substantially less than the web site value? Was any reason given by the dealer for this difference in value? Is the reason plausible?
2. What the household was instructed to do to clear up the questionable documentation. The household must be issued a *Request for Information* (DCO-191) specifying what action the household must take.
3. How the worker finally arrived at the fair market value of the vehicle, which is the subject of the dispute. The worker must include all contacts made by the worker or information obtained by the worker as well as any information provided by the household. When a newspaper ad is used to establish the fair market value of a vehicle, either a dated copy of the ad or a dated original must be attached to the case record.

The fair market value of boats, motors, campers, motorcycles, recreational vehicles, etc. not listed on the web sites will be determined through current newspaper advertising or a dealer's statement. The worker may accept the household's statement about the value of older model vehicles, "junked" vehicles and vehicles that are generally known to be inexpensive.

4860 Accessibility of Vehicles

SNAP Manual 07/01/01

If the resource value of any non-excluded vehicle makes the household ineligible to receive SNAP benefits due entirely or in part to the countable value of a vehicle, the county office worker must determine if that vehicle is an inaccessible resource. A vehicle is considered to be inaccessible if, as a practical matter, the household would be unable to sell the vehicle for a significant return. This means that unless the household would receive more than $1,500 for the sale of the vehicle, the vehicle would not produce a significant return and would be considered an inaccessible resource. If the estimated return (equity value) assigned to the vehicle is $1,500 or less, the vehicle will not be considered an available resource. None of the vehicle's value will be counted as a resource.

To determine the equity value, the worker will subtract the amount owed by the household on the vehicle from the far market value of the vehicle. See SNAP 4851 for instructions on establishing fair market value. The amount owed on the vehicle will be verified if the information provided by the household is questionable.

EXAMPLE: A household owns a 1999 Honda Civic with a fair market value of$9,450. The countable resource value is calculated as $9,450 - $4,650 = $4,800. The worker must determine if the vehicle is accessible by subtracting the amount owed on the vehicle from the fair market value - $9,450 fair market value - $9,000 amount owed on vehicle = $450 estimated return. The countable resource value is $0.

If the estimated return on the vehicle is $1,501 or more, only the amount of the estimated return (equity value) would be counted as a resource.

EXAMPLE: A household owns a 1999 Honda Civic with a fair market value of$9,450. The countable resource value is calculated as $9,450 - $4,650 = $4,800. The worker must determine if the vehicle is accessible by subtracting the amount owed on the vehicle from the fair market value - $9,450 fair market value - $7,500 amount owed on vehicle = $1,950 estimated return. The vehicle is an accessibleresource.

Accessibility will be determined whenever a vehicle is first reported. Thereafter, accessibility will be re-determined only at application, initial, and recertification. Accessibility will be determined only so long as the value of the vehicle makes the household ineligible to participate in the Supplemental Nutrition Assistance Program.

4870 Vehicle Desk Guide

SNAP Manual 01/01/07

Actions Needed to Assess Vehicles	Vehicles to be Considered	Amount to be Excluded from Resources	Amount Considered toward Resource Level
Step 1. Determine Which Vehicles Are Excluded by Policy	<u>Licensed or Unlicensed Vehicles which are:</u> • Used primarily for income producing purposes (over 50% of vehicle's use). • Annually producing income consistent with fair market value. • Necessary for long distance travel (other than daily commuting) essential to employment. • Used as the household's home. • Necessary to transport a physically individual with disability household. • Necessary to carry primary source of fuel (heating or water home use).	Totally Excluded	-0- Resource Value
Step 2. Exclude One Vehicle Per Household	Most expensive licensed or unlicensed vehicle not already excluded. (*Exclude most expensive vehicle unless it is more advantageous to the household to exclude another vehicle.*)	Totally Excluded	-0- Resource Value
Step 3. Determine Countable Resource Value of Non-Excluded Vehicles	<u>Licensed vehicles:</u> One per adult household member and any additional vehicles used by a household member under age 18 to commute to work or school or to look for work.	Count as a resource.	Count the fair market value of vehicle minus $4,650 disregard. If the remainder is above -0-, count the remainder as a resource.

7B4800 Vehicles

49B4870 Vehicle Desk Guide

Actions Needed to Assess Vehicles	Vehicles to be Considered	Amount to be Excluded from Resources	Amount Considered toward Resource Level
Step 4. Determine Resource Value of Remaining Vehicles	Remaining licensed and unlicensed vehicles.	Count as a resource.	Count the greater of the fair market value less $4,650 or the equity value as a resource.
Step 5. If household is ineligible, determine accessibility.	Determine the accessibility of any vehicle with a value great enough to make the household ineligible to participate in the Supplemental Nutrition Assistance Program. Any vehicle with an equity value of $1,500 or less is inaccessible.	Exclude inaccessible vehicles.	Count the equity value of accessible vehicles as a resource.

4900 Special Resource Situations

SNAP Manual 09/01/88

4910 Jointly Owned Resources

See SNAP 4601 for instructions on handling jointly owned bank accounts. Other resources owned jointly by two or more households are considered totally available to the household unless it can be demonstrated that the resource is inaccessible. A jointly owned resource is considered inaccessible if it cannot be practically subdivided, and the household's access to the resource is dependent upon the agreement of the joint owner who refuses to comply.

If a household only has access to a portion of a resource, only the accessible portion is counted. If a resource is totally inaccessible because the joint owner refuses to cooperate, the entire value of the resource is disregarded.

NOTE: When determining accessibility to jointly owned resources, ineligible aliens and disqualified individuals residing with the household are considered household members.

4920 Court Litigation/Pending Divorce

SNAP Manual 09/01/88

Resources owned jointly by individuals who are awaiting a decision of the court to determine ownership will not be considered when determining the resource value for either individual.

When the property is awarded by the court to one or the other of the individuals, it becomes a resource to the individual who was awarded the property.

4930 Resources of Disqualified Members or Ineligible Members

SNAP Manual 09/01/88

The total value of resources belonging to disqualified or ineligible household members will be considered totally available to the household if:

- The individual is disqualified from the program for intentional program violation per SNAP 1623.2;
- The individual is an ineligible alien per SNAP 1621 who would otherwise be considered a household member; or
- The individual is disqualified for failure to comply with the SSN requirements or work registration requirements. See SNAP 1623.1.

The same resource exclusions that apply to eligible household members will apply to resources claimed by ineligible aliens or disqualified persons when determining a household's total resources.

EXAMPLE: Work related equipment essential to the employment of an ineligible alien or disqualified person will be excluded per SNAP 4440.

One burial lot per ineligible alien or disqualified person will be excluded per SNAP 4460.

4940 Resources of Sponsored Aliens

SNAP Manual 10/01/91

See SNAP 1621.6 for the procedures for handling the resources of sponsored aliens when a portion of the sponsor's resources has been deemed to the household.

4950 Non-recurring Lump Sum Payments

SNAP Manual 10/01/91

Non-recurring lump sum payments are considered a resource in the month received unless otherwise excluded. Examples of lump sum payments include, but are not limited to the following payments.

1. Federal and state income tax refunds, rebates, or credits.
2. Child support when received as the result of the interception of a State or Federal income tax refund. Other child support payments that cover a prior period of time will be handled as explained in SNAP 5704. (*Child support for a prior period that is paid in a lump sum to catch up on payments is not considered to be a non-recurring lump sum payment.*)
3. Refunds of security deposits on rent or utilities.
4. Lump sum insurance payments such as, but not limited to, settlements for damages toa household member's property, life insurance payoffs, crop insurance payments and lump sum Worker's Compensation settlements.
5. Loans with the exception of deferred payment student loans. See SNAP 1622.4for instructions on handling student loans.
6. One-time payments for damages received through a court or through an out of court settlement.
7. Cash gifts, awards, or prizes when received on a one-time basis. See SNAP 5709for instructions on handling recurring payments.

8. The proceeds (net) from the sale of personal property when payment is received on a one-time basis. See SNAP 5710 when payments are received in installments.
9. Work Incentive payments received upon the completion of the program;
10. Retroactive Social Security, or Railroad Retirement payments or any other retroactive benefit payment. TEA and SSI lump sum payments will be excluded as a resource so long as the recipient continues to be eligible for the benefit. See SNAP 4951 for instructions. If the recipient is no longer eligible for SSI or TEA, the lump sum payment will be considered a resource.
11. Retroactive Wages (net) paid on a one-time basis to correct a previous underpayment or to otherwise adjust wages.
12. Vacation Pay (net) when received as a one-time payment after termination or layoff.
13. Severance Pay (net) when received as a one-time payment. See SNAP 5716 for instructions on handling severance pay received in installments.
14. Salary Bonuses (net) which cannot be considered to be annual bonuses. See SNAP 5502 for additional information.

4951 Handling

SNAP Manual 12/01/93

Only the amount of the lump sum payment available to the household will be considered a resource. For applicant households, the county office worker must consider the amount of the payment available as of the day of the interview to be a countable resource. For active households, the county office worker must consider the amount of the payment available as of the date of change or the end of the applicable ten-day notice period to be a countable resource.

To determine the countable resource amount, the worker will consider only the net amount of the payment. For example, a client may be entitled to a $10,000 settlement from Workman's Compensation but receive a check for $7,000 after legal fees. $7,000 would be considered the amount of the lump sum payment.

After the net amount of the payment has been determined, the worker must deduct any expenditure the household claims to have made from the payment. For example, a household receives a $7,000 lump sum payment, and claims expenditures as follows:

1. $3,000 to a car dealer for a used car.
2. $500 to a furniture store.
3. $800 for repairs to the house.
4. $400 for clothes and shoes for the children.

5. $500 to a relative to repay a loan.
6. $400 to a doctor to pay a previous bill incurred for one of the children.

After expenditures, the balance of the lump sum payment remaining is $1,400. The household would continue to be eligible if no other resources were available.

When a lump sum payment is reported, the household will be given an opportunity to establish the net amount of the payment and any expenditure. For applicant households, see SNAP 8500. For active households, see SNAP 11422.

4952 Verification

SNAP Manual 09/01/88

The net amount of the payment may be verified through letters or documents provided by the source of the payment. Collateral contact with the source of the payment may also be used as verification.

Expenditures declared by the household will be verified if questionable. It will be sufficient to verify any declared liquid resources if the expenditures declared by the household are not questionable.

Questionable expenditures may be verified through receipts furnished by the household. If the household claims it has no receipts and cannot obtain them, all expenditures including the ones determined questionable will be listed in a signed statement completed by the household. The household will then be asked to furnish proof of current bank account levels and a listing of recent withdrawals.

If the household claims, the payment was never deposited in the bank and has been expended to the point that the household is eligible; the county office worker must request the following information:

a. Verification of the lump sum payment;
b. Receipts or other documentation of any questionable expenditures; and
c. The household's written, signed statement of the amount remaining from the payment.

Collateral statements may be requested when the household is unable to furnish any other verification of a lump sum payment and/or questionable expenditures. When neither the household nor the county office worker can obtain the needed verification, the client's statement of the amount remaining will be accepted along with proof that the household has no accounts currently active in local banks and/or savings and loans. This proof must include

statements of accounts recently closed and/or transferred. Either the household may furnish this proof, or the county may obtain the household's written consent to contact these banks by letter to request this information. If the household refuses to furnish this proof or refuses to consent to the county contacting these institutions, the application will be denied. (Active cases will be closed.)

4953 Documentation

SNAP Manual 10/01/86

The county office worker must document the amount and the source of the payment and must specify the gross and net amount if applicable. All expenditures claimed by the household must be documented.

All verification obtained for the amount of the payment and questionable expenditures must be documented. The documentation must state why expenditures are considered questionable. When the household claims to be having difficulty establishing the amount of questionable expenditures, all attempts made by either the household or the worker to obtain verification must be documented. The worker must also document how the current available amount of the payment was established. If the household refuses to verify questionable expenditures or the amount of the payment, the worker must document the refusal including the date of the refusal and the reason for the refusal if one was given.

4960 Excluded and Countable Resources Combined Into One Account

SNAP Manual 10/01/86

Funds designated as excluded resources retain their exclusion when combined with non-excluded funds in a single bank account. The period of exclusion is determined by the reason for the exclusion.

1. Resources Excluded by Law

NOTE: Funds excluded as a resource by law and kept in an account separate from non-excluded funds retain their exclusion indefinitely. (See SNAP 4450 for a list of resources excluded by law.)

Excluded funds combined in one account with countable funds retain their exemption for six months from the date they are combined. After expiration of the six-month period, all funds in the account are counted as a resource. If withdrawals are made

prior to the end of the six-month period of exclusion, the entire account immediately becomes a countable resource.

2. Resources Excluded as Income
   Resources excluded as income (e.g. the income of students or self-employed individuals) that are combined in an account with non-excluded funds retain their exclusion for the entire period of proration.

EXAMPLE: A farmer reports a $1,000 checking account at application interview. Between the time of the interview and the date of certification, he sold some soybeans for $5,000. This money was deposited into the checking account, increasing the balance to $6,000, which exceeds the allowable resource limit. However, since the money deposited from the sale of the crops is prorated income and excluded as a resource, the household's resources are determined to be $1,000.

Combined accounts will be verified when questionable. Acceptable verification includes bank statements verifying the current amount in the combined account and indicating recent withdrawals and deposits or collateral statements verifying the amount of the excluded resource and the date deposited.

The following information must be documented:

a. Total amount in the account;
b. The amount determined to be an excluded resource;
c. The amount determined to be a non-excluded resource;
d. Whether the excluded resource is excluded by law or prorated income; and
e. If verification was requested, why the account was considered questionable, and the verification obtained.

4970 Transfer of Resources

SNAP Manual 10/01/86

4971 Determining if a Transfer Has Occurred

SNAP Manual 10/01/86

At the time of the application interview, households must be asked if any household member (or disqualified person whose resources are considered available to the household) has transferred any resources during the 3-month period immediately preceding the date of the application interview.

Households that knowingly transfer countable resources during this period for the purpose of qualifying or attempting to qualify for SNAP benefits must be disqualified from participating in the Supplemental Nutrition Assistance Program for up to one year from the date of discovery of the transfer. The disqualification penalty also applies to households that transfer resources after they are determined eligible in order to remain eligible.

EXAMPLE: A household acquires a resource after being certified, and transfers the resource to prevent the household from exceeding the resource limit.

4972 Transfers Not Resulting in Disqualification

SNAP Manual 10/01/86

Eligibility for SNAP benefits is not affected by the transfers listed below.

- Resources, which would not otherwise affect eligibility. This includes the transfer of resources that are already excluded or resources that, when added to all other non-exempt resources, would not put the household over the resource limit. For example, if a parent who is participating in the Program transfers his home to a child but continues to live in it, no disqualification will be imposed. The home was already excluded as a resource.
- Resources that are sold or traded at or near fair market value.
- Resources transferred between members of the same SNAP household (including disqualified persons whose resources are being considered available to the household).
- Resources transferred for reasons other than qualifying or attempting to qualify for benefits. A parent places funds into an inaccessible educational trust fund.
- The removal of an individual's name from a bank account by the major owner of the account. The major owner is the original owner of the funds deposited into the account.

4973 Transfers Resulting in Disqualification

SNAP Manual 10/01/86

Households must be given a reasonable opportunity to explain the circumstances surrounding a transfer of resources. If the household can establish a valid reason for the transfer (other than the intent to qualify), the household will not be disqualified.

If an applicant household has transferred resources knowingly, with the intent to qualify, the application will be denied. The denial notice will state the reason for and the length of the

disqualification as well as the household's right to an administrative hearing. The disqualification period will begin with the month of application.

If the household is certified at, the time the transfer is discovered, a notice of adverse action that explains the reason for and the length of the disqualification must be sent. The disqualification period begins with the first benefits authorized after the expiration of the adverse action period, unless the household requests an administrative hearing and continued benefits.

NOTE: A disqualification penalty can be imposed only once for the same transfer.

4974 Periods of Disqualification

SNAP Manual 07/01/01

To determine the length of the disqualification period, the county office worker must add the value of the transferred resource to the total countable resources and then subtract the resource limit. The remainder will be used to determine the period of disqualification as explained in the following chart.

AMOUNT IN EXCESS OF THE RESOURCE LIMIT	PERIOD OF DISQUALIFICATION
$ 0 - $ 249.99	1 month
250 - 999.99	3 months
1,000 - 2,999.99	6 months
3,000 - 4,999.99	9 months
5,000 - and up	12 months

EXAMPLE: A 54-year-old woman made application for SNAP benefits as a one-person household. One week before she submitted the application, the woman transferred $3,000 from a bank account to a relative leaving a balance of $1,000 in the account. The household's total countable resources are $1,000. The value of the transferred resources is $3,000.

$1,000 countable resources + $3,000 amount of transfer = $4,000

$4,000 - $2,0250 resource limit = $1,750

The transfer will result in a six-month disqualification.

5100 Income – Summary

SNAP Manual 01/01/00

This section describes income which must be considered when determining Supplemental Nutrition Assistance Program eligibility and benefit level. It explains which income is to be excluded during eligibility determination and which income must be included in the eligibility determination. Verification guidelines for this countable income are provided.

Income is classified as earned income or unearned income. The household is required to report all income at the time of application and any income anticipated to be received during the certification period. All earned and unearned income received on each household member is counted as income unless the income is excluded as specified in SNAP 5400.

5110 Bankruptcy

SNAP Manual 01/01/00

Filing for bankruptcy has only a limited effect on the amount of income counted in a household's SNAP budget. However, the household's bankruptcy papers should be examined carefully to determine if the terms of the settlement will have any impact on the household's resource and/or deductible expenses.

After a household files for bankruptcy, the gross amount of any income (earned and unearned) received by the household will continue to be counted in the budget. Sometimes, the household's income goes to a trustee and the trustee pays the household's bills and gives the household a living allowance. The living allowance has already been counted as part of the household's gross income and so would not be counted as income again.

When a self-employed household (including any farmer) declares bankruptcy and continues to do the same type of business, the self-employment income continues to be counted in the SNAP budget. Often when a business or farm declares bankruptcy but continues to operate, some of the assets of the business are sold to pay the debts of the business. If the business owner (or farmer) sells property or equipment used in their business and uses the proceeds to pay off a loan, the money is counted as income in the self-employment enterprise. (See Capital Gains, SNAP 5640.) Even if the proceeds of the sale are diverted to a bank to repay a loan, the money is still counted as income in the self-employment enterprise.

If the household is no longer allowed to continue the self-employment enterprise, the self-employment income is dropped from the SNAP budget. When the business no longer continues to operate and business collateral is turned over to a bank, either voluntarily or through

repossession, it becomes the legal property of the bank. Even if the bank sells the collateral (land, equipment, etc.) and uses the proceeds to pay off a business loan, the proceeds of the sale are not counted as income in the self-employment enterprise.

When bankruptcy is declared, a creditor (or lender) may write off all or part of a loan or "forgive" the outstanding balance or the household's current payment may be recalculated. If the amount due on a deductible expense (i.e., house payment) changes as a result of a bankruptcy, the worker will verify the amount currently incurred for the expense. The current amount will be used in the SNAP budget. Past due amounts will not be allowed even if included with current payments or even if paid through the court directly to the creditor. See SNAP 6710.

A bankruptcy settlement normally states the household's resources, which resources will be disposed to cover the household's debts and under which conditions the household may retain other resources. If there are questions about whether resources retained by the household are accessible, a legal opinion should be requested through normal channels.

5200 Income Eligibility Standards

SNAP Manual 01/01/00

Income eligibility standards are based upon a household's classification as regular or age 60 or Older/Individual with Disability or categorically eligible. See SNAP 1910 for an explanation of an age 60 or Older/Individual with Disability household. See SNAP 1920 for an explanation of a categorically eligible household. All other households are considered regular households.

An age 60 or Older/Individual with Disability household must meet only the net income eligibility standards. Net monthly income is computed by adding all non-excluded income for all household members and subtracting all allowable deductions.

A regular household must meet both the net income eligibility standards and the gross income eligibility standards. Gross monthly income is all non-excluded gross earned and unearned income for all households' members. Net income is the household's income after subtracting all allowable deductions.

A categorically eligible household does not have to meet either the gross or net income eligibility standards.

5300 Definition of Income

SNAP Manual 01/01/00

Household income is any gain or benefit (usually in the form of money) from any source provided it is not excluded. See SNAP 5400 for an explanation of excluded income.

EXAMPLE: A woman applies for SNAP benefits for herself and her children. She is separated from her husband; however, each month he deposits $1,500 in the couple's joint checking account. The money deposited in the checking account is unearned income for SNAP purposes.

5400 Income Exclusions

SNAP Manual 01/01/03

Only the following types of income are excluded when determining SNAP eligibility:

- Child support payments obligated to OCSE to maintaineligibility
- Costs of producing self-employment income
- Earnings of a child who attends school
- Educational income
- By Federal statute
- In kind benefits
- Irregular income
- Loans
- Non-recurring lump sum payments
- Payments for third party beneficiaries
- Recoupments
- Reimbursements
- Vendor payments
- Earned income tax credits

See SNAP 5401 - 5414 for a full explanation of excluded income.

5401 Child Support Payments which are Excluded

SNAP Manual 01/01/00

Child Support payments received by TEA recipients which are obligated to the Office of Child Support Enforcement (OCSE) to maintain TEA eligibility will not be counted as income. This exclusion applies even when such payments are not actually turned in to OCSE. It also applies to payments received by former AFDC and/or TEA recipients when held by OCSE and applied to previous AFDC and/or TEA arrearages.

Any child support payment received through an interception of a State or Federal income tax refund is excluded as non-recurring lump sum payments. Any child support payment received through interception of a lump sum Worker's Compensation payment is also excluded as a non-recurring lump sum payment. See SNAP 4950 for instructions on handling lump sum payments.

Also see SNAP 5704 for an explanation of child support to be counted as income.

5402 Costs of Producing Self-Employment Income

SNAP Manual 01/01/00

The costs of producing self-employment income are excluded from the household's gross self-employment income. See SNAP 5663 for instructions.

5403 Earnings of a Child

SNAP Manual 01/01/00

The earnings of elementary or secondary school students age 17 or younger who continue to live with a parent and attend school classes at least half-time will be excluded. This includes students who attend classes to obtain a general equivalency diploma (GED) so long as the GED program is recognized, supervised or operated by the student's state or local school district. Half-time status will be defined by the school.

The earned income of a high school student must be counted beginning the month after the student turns 18. This applies regardless of marital status so long as the student continues to live with a parent.

This exclusion does not apply to students who have established a residence separate from their natural, adoptive or step parent or from the adult household member who exercises parental control over the student.

This exclusion applies during school breaks and summer vacation if the student plans to attend school when regular sessions resume. If the child's portion of the earned income cannot be determined, the income must be evenly prorated among all the individuals who earned the income. The child's pro rata share will be excluded as income.

5404 Educational Income

SNAP Manual 01/01/03

Educational income received by eligible students will be excluded in its entirety. This exclusion covers all federal, state and privately funded educational assistance. Some common sources of educational income are listed below:

- Programs authorized under title IV of the Higher Education Act
- Programs authorized under the bureau of Indian Affairs (BIA) Student Assistance Programs
- Programs authorized under the Carl D. Perkins Vocational Education Act

- Workforce Investment Act (WIA)
- Scholarships or other grants funded through private and publicly funded education programs
- VA educational assistance paid through the Montgomery GI Bill

5405 (By) Federal Statute

SNAP Manual 11/01/14

Any income specifically excluded for SNAP purposes by any Federal statute is not counted as income. These income exclusions are listed below. Refer to SNAP 4450 for an explanation of resources excluded by law.

1. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970. (P. L. 91-646, Section 216.)
2. Payments to volunteers under the Domestic Volunteer Services Act of 1973 (P.L. 93-113), as amended. Payments under Title II of this Act are excluded. This includes such programs as the Retired Senior Volunteer Program (RSVP), Foster Grandparents Program, Senior Companions Program, and others. Payments under Title I of that Act (including payments from such Title I programs as VISTA, University Year for Action, and Urban Crime Prevention Program to volunteers) will be excluded for individuals who were receiving SNAP benefits or public assistance at the time they joined the Title I program. Temporary interruptions in Supplemental Nutrition Assistance Program participation do not affect this exclusion once an initial determination is made. New applicants who were not receiving public assistance or SNAP benefits at the time they joined VISTA will have these volunteer payments included as earned income.
3. Payments received by individuals from Community Services Employment as authorized by the Older Americans Act (P.L. 100-175). In Arkansas, this program is operated bythe U.S. Forest Service, the American Association of Retired Persons (AARP), the National Center on Black Aging, the Experience Works Program (formerly the Green Thumb Program) and the Area Agency on Aging. Other organizations that receive some Title V funds are the National Council of Senior Citizens, National Association for Spanish Speaking Elderly, and National Urban League.
4. Payments or allowances made under Federal Law (other than provided under Title IV-A of the Social Security Act, e.g.- welfare block grant payments) for purpose of energy assistance including utility reimbursements made by the Department of Housing and Urban Development (HUD) and the Farmers Home Administration (FHA). Under the Low-Income Energy Assistance Act (P.L. 99-425, Section E) the amount of any home

energy payments or allowances provided directly to or, or indirectly on behalf of a household is excluded. Examples of other excluded federal energy assistance are: Payments provided through the Department of Health and Human Services; payments from the Low Income Energy Assistance Program; the Community Services Administration's Energy Crisis Assistance and Crisis Intervention Programs and utility assistance payments. Under this provision, one time Federal or State payments for weatherization or emergency repair/ replacement of heating or cooling devices are excluded. A down payment followed by a final payment upon completion of the work will be considered a one-time payment for purposes of this provision.

5. Under the provisions of the Workforce Investment Act (WIA), which was formerly known as the JTPA, allowances and payments to individuals participating in programs under that Act are excluded as income with the following exception.

EXCEPTION: On the job training (OJT) payments provided under Section 204(5) of Title II of the Workforce Investment Act (WIA), formerly JTPA, are counted as income unless the payee is a dependent less than 19 years of age. If the payee is a dependent less than 19 years of age, OJT payments are excluded.

The Workforce Investment Act (WIA), formerly JTPA, exclusion applies to on-the-job training payments received under the Summer Youth Employment and Training Program.

P.L. 101-610, Section 117(d), 11-28-90, provides that the WIA income exclusion applies to projects conducted under Title I of the National and Community Services Act of 1990 as if such projects were conducted under the Workforce Investment Act (WIA), formerly JTPA, described in item 5 above. This includes:

a. The Community Service, Schools and Service-Learning Act of 1990 (Serve-America);
b. The American Conservation and Youth Service Corps Act of 1990; and
c. The National Community Service Act (NCSA). There are about 47 different NCSA programs and they vary by State. Most of the payments are made as a weekly stipend or for educational assistance. The Higher Education Service Learning Program and the AmeriCorps Umbrella Programs come under this Title. The National Civilian Community Corps (NCCC) is a federally managed AmeriCorps program. The Summer for Safety Program is an AmeriCorps program. The School-to-Work Opportunities Program is funded under this Act. In Arkansas, the Delta Service Corps is administered under this Act. Payments, allowances, earnings and payments to individuals participating in programs under this Act are excluded as income.

6. P.L. 102-550, Housing and Community Act of 1992, Section 456(e) provides that payments made under the Youth Build Program are to be treated like Workforce

Investment Act (WIA), payments. (These payments were formerly known as JTPA payments.) See item 5 above for an explanation of how to handle WIA payments.

7. Federal payments to Indians and Eskimos are excluded as stipulatedbelow:
    - Payments received under the Alaska Native Claims Settlement Act (P.L. 92-203, Section 29 dated 1/2/76 and Section 15 of P.L. 100-241, the Alaska Native Claims Settlement Act Amendments of 1987.
    - Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540).
    - Income from certain sub-marginal land held in trust for certain Indian tribes (P.L. 94-114, Section 6). The tribes that may benefit are:
        - Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin
        - Blackfeet Tribe
        - Cherokee Nation of Oklahoma
        - Cheyenne River Sioux Tribe
        - Crow Creek Sioux Tribe
        - Lower Brule Sioux Tribe
        - Devil's Lake Sioux Tribe
        - Fort Belknap Indian Community
        - Assiniboine and Sioux Tribe
        - Lac Courte Oreiles Band of Lake Superior Chippewa Indians
        - Keweenaw Bay Indian Community
        - Minnesota Chippewa Tribe
        - Navajo Tribe
        - Oglala Sioux Tribe
        - Rosebud Sioux Tribe
        - Shoshone-Bannock Tribes
        - Standing Rock Sioux Tribe
    - Funds distributed per capita to the Sac and Fox Indians or held in trust. (P.L. 94-189).
    - Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (P.L. 95-443).
    - Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Section 5).

5400 Income Exclusions

5405 (By) Federal Statute

- Per capita payments of $2,250 and less made under Public Law 98-64 funds held in trust by the Secretary of Interior.
- Under 25 USCS 1408 (as amended by P.L. 93-134, P.L. 97-458 and P.L. 103-66, Section 13736, 10/7/93) interests of individual Indians in trust or restricted lands will not be considered a resource and up to $2,250 per calendar year of income received by Indians from such interests will be excluded as a resource and as income. Interests include the Indian's right to or legal share of the trust or restricted lands. The exclusion applies to each individual Indian who has an interest.
- Payments of relocation assistance to members of the Navajo and Hopi Tribes (Pub. L. 93-531).
- Payments to the Turtle Mountain Band of Chippewas, Arizona (P.L. 97-403).
- Payments to the Blackfeet, Grosventre, and Assiniboine tribes (Montana) and the Papago (Arizona) P.L. 97-408).
- Per capita and interest payments made to the Red Lake Band of Chippewas (P.L. 98-123, Section 3, 10/13/83).
- Per capita and interest payments made to the Assiniboine Tribe of the Fort Belknap Indian Community and the Assiniboine Tribe of the Fort Beck Indian Reservation (Montana) (P.L. 98-124, Section 5).
- Payments to the Saginaw Chippewa Indian Tribe of Michigan (P.L. 99-346, Section 6 (b)(2)).
- Per capita payments to the Chippewas of Mississippi (P.L. 99-377, Section 4 (b), 8/8/86).
- Old Age Assistance Claims Settlement Act, provides that funds made to heirs of deceased Indians under this Act except for per capita shares in excess of $2,250 (P.L. 98-500, Section 8, 10/17/84).
- Payments to the Puyallup Tribe of the State of Washington (P.L. 101-41, 6-21-89).
- Payments under the White Earth Reservation Land Settlement Act of 1985 to the White Earth Band of Chippewa Indians in Minnesota (P.L. 99-264).
- Payments under the Seneca Nation Settlement Act of 1990 to members ofthe Seneca Nation (P.L. 101-503).
- Funds appropriated in satisfaction of judgments awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indians Claims Commission.
- Funds distributed or held in trust for members of the Chippewas of Lake Superior (P.L. 99-146).

- Assistance paid under P.L. 95-608, the Indian Child Welfare Act of 1978.
- Payments to the Confederated Tribes of the Colville Reservation under the Grand Coulee Dam Settlement Act (P.L. 103-436).
- Michigan Indian Claims Settlement Act which pertains to judgment funds of the Ottawa and Chippewa Indians of Michigan.

8. Under P.L. 99-576, Veterans Benefits and Health Care Authorization Act of 1986, any amount by which the basic pay of military service personnel is reduced to fund the G.I. Bill. Under U.S.C., Title 38 Sections 1411 (b) and 1412 (c), the amount by which the basic pay of an individual is reduced to fund the G.I. Bill will not be considered to have been received by or to be within the control of this individual.

NOTE: Section 216 of P.L. 99-576 authorizes stipends for participation in a study of Vietnam-era psychological problems. These payments are counted as unearned income.)

9. Cash donations, based on need, received from one or more private, nonprofit charitable organizations to the extent that such donations do not exceed $300 in a Federal fiscal year quarter as mandated by the Charitable Assistance and Food Bank Act of 1987 (P.L. 100-232).
10. Payments made to Vietnam veterans under the Agent Orange Veteran Payment Program as authorized by P.L. 101-201. P.L. 101-239, the Omnibus Reconciliation Act of 1989, Section 10405, excludes payments made from the Agent Orange Settlementfund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.)

EXCEPTION: Payments made to Vietnam Veterans under the Agent Orange Act of 1991, P.L. 102-4, are not excluded as income. Veterans of the Vietnam War who are determined to be eligible for veterans' benefits as a result of exposure to Agent Orange will be issued payments in accordance with P.L. 102-4. Refer to SNAP 5723 for additional information.

11. Under P.L. 104-102, Section 1805(d), monthly allowances paid to a child of a Vietnam Veteran for any disability resulting from spina bifida suffered by such child.
12. Under P.L. 106-419, Section 1815 (a), monthly allowances paid to any individual with one or more covered birth defects if he or she is a child of a woman Vietnamveteran.
13. Under the Civil Liberties Act of 1988 (P.L. 100-383),payments to U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands, Islands West of Unimack Island.

14. Payments received through the Radiation Exposure Compensation Act (P.L. 101-426, Section 6(h)(2), 10/15/90). This law establishes a program to compensate individuals for injuries or deaths resulting from exposure to radiation from nuclear testing and uranium mining in Arizona, Nevada and Utah.
15. Payments received from the Federal Emergency Management Assistance (FEMA)under P.L. 93-288, Sec. 312 (d) as amended by P.L. 100-707, Section 105 (i) the Disaster Relief and Emergency Assistance Amendments of 1988. Funds distributed by FEMA due to a major disaster or emergency are excluded as income. Not all payments from FEMA are for disaster or emergency assistance. This exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations. For payments to be excluded, the disaster or emergency must be declared by the President.
16. Disaster Unemployment Assistance paid under Public Law 100-707, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to any individual unemployed as a result of a major disaster. Individuals cannot be eligible for any other unemployment compensation and also receive disaster unemployment benefits. Payments are limited to 26 weeks.
17. Disaster Relief Employment funded through national emergency grants made available to States that have suffered an emergency or a major disaster as defined in Public Law 100-107, the Robert T. Stafford Disaster Relief and Emergency Assistance Act. These grants provide funds that are expended through public and private organizations for temporary job creation in areas declared eligible for public assistance by FEMA, subject to the limitations of the WIA, section 173 (d). The employment will be on projects that provide food, clothing, shelter, and other humanitarian assistance for disaster victims, or projects that provide demolition, cleaning, repair, renovation and reconstruction etc. within the disaster area. Individuals are eligible to be offered disaster relief employment if he or she is a dislocated worker, has been unemployed for a long term, or is temporarily or permanently laid off as a result of the disaster. No individual can be employed for more than 6 months as the result of a single natural disaster.
18. Income amounts necessary for the fulfillment of a PASS (Plan for Achieving Self-Support) plan under Title XVI of the Social Security Act. Verification of the existence of the PASS and the amounts of resources and income set aside by the plan may be obtained from SSA.

See SNAP 5413.2 for additional information about IDAs.

19. The value of assistance to children under P.L. 89-642, Section 11(b) of the Child Nutrition Act of 1966 and P.L. 79-396, the National School Lunch Act. The Child

Nutrition Act authorizes the Special Milk Program, the School Breakfast Program, and the WIC Program. (See item 20 for additional information about the WIC Program.) The National School Lunch Act authorizes the School Lunch Program, the Summer Food Service Program for children, the Commodity Distribution Program and the Child and Adult Care Food Program. The exclusion applies to assistance provided to children rather than that paid to providers.

20. Benefits received from the Special Supplemental Food Program for Women, Infants and Children (WIC) under P.L. 92-443, Sec. 9 and P.L. 100-435, which amended Section 17(m)(7) of the Child Nutrition Act of 1966.
21. Under P.L. 102-586, Section 8, the Child Care and Development Block Grant Act Amendments of 1992, the value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under this subchapter.
22. Payments made to individuals because of their status as victims of Nazi persecution under P.L. 103-286. This exclusion is effective for eligibility and benefit level determinations made on or after August 1, 1994.
23. Under P.L. 101-508, the Omnibus Reconciliation Act of 1990, earned income credit (EIC) payments s under section 3507 of the Internal Revenue Code. EIC payments are received as part of the employee's paycheck through a reduction in taxes withheld.
24. Under P.O. 103-22, compensation made to crime victims as authorized by the Crime Act of 1984.
25. Under P.L. 107-171, the Food Stamp Reauthorization Act of 2002, all student financial assistance. See SNAP 1622.3.
26. Under P.L. 101-625, section 22(i), Cranston-Gonzales National Affordable Housing Act, dated 11/28/90 42 USCS 1437t(i) - no service provided to a public housing resident under section 22(I) of this law may be treated as income. This exclusion applies to services such as child care, employment training and counseling, literacy training, computer skills training, assistance in the attainment of certificates of high school equivalency and other services. It does not apply to wages or stipends. Wages and stipends are counted as income.
27. Funds withdrawn from a Department of Housing and Urban Development's (HUD) Family Self-Sufficiency Program escrow account are excluded as income when determining eligibility for SNAP. See SNAP 5413.2 for additional information about this exclusion.
28. Under P.L. 104-193, section 103 (a) which amended Section 404 (h) of Part A of Title IV of the Social Security Act, funds (including accrued interest) in an individual development account (IDA) under the TANF Block grant program will be excludedduring

any period during which the individual maintains or makes contributions into such an account. See SNAP 5413.2 for additional information about IDAs.

5406 In-Kind Benefits

SNAP Manual 01/01/00

In-kind benefits are any gain or benefit which is not in the form of money payable directly to the household. In-kind benefits that are excluded include:

1. Meals;
2. Clothing;
3. Public housing;
4. Produce from a garden;
5. Shelter provided to an employee;

EXAMPLE: A farmer hires a household member as a laborer. The household is provided with a house on the farmer's farm and utilities are free of charge. The house and utilities are considered in-kind benefits and excluded as income.

5407 Irregular Income

SNAP Manual 01/01/00

Any recurring income that does not exceed $30 in a three-month period and that is received too infrequently or irregularly to be reasonably anticipated is excluded as income. The three month period begins with the first month in which income is received from a particular source.

5408 Loans

SNAP Manual 01/01/00

All loans are excluded as income. This includes loans from private individuals as well as commercial loans. A formal repayment agreement is not required. However, the intent to repay the loan must exist.

EXAMPLE: A household member receives a loan from his brother in the amountof $1,600.00 for the purpose of buying a stereo system. The total amount of the loan is to be repaid. There were no documents signed since both parties verbally agreed to the terms. The amount of the loan ($1,600) is totally excluded as income to the household.

See SNAP 5415 for instructions on verifying loans.

See SNAP 4950, Lump Sum Payments, for instructions on handling the receipt of loans.

5409 Non-Recurring Lump Sum Payments

SNAP Manual 01/01/00

One-time lump sum payments are excluded as income. Examples of lump sum payments include, but are not limited to, the following payments:

1. Federal and State income tax refunds, rebates, orcredits.
2. Child Support when received as the result of the interception of a State or Federal income tax refund. Other child support payments will be handled as explained in SNAP 5704.
3. Refunds of security deposits on rent or utilities.
4. Lump sum insurance payments such as, but not limited to, settlements for damages to a household member's property, life insurance payoffs, crop insurance payments and lump sum Worker's Compensation settlements.
5. Loans.
6. One-time payments for damages received through a court or through an out of court settlement.
7. Cash gifts, awards, or prizes when received on a one-time basis. See SNAP 5709 for instructions on handling recurring payments.
8. The proceeds (net) from the sale of personal property when payment is received ona one-time basis. See SNAP 5710 when payments are received in installments.
9. Work incentive payments received upon the completion of theprogram.
10. Retroactive Social Security or Railroad Retirement payments or any other retroactive benefit payment.
    TEA and SSI lump sum payments will be excluded as a resource so long as the recipient continues to be eligible for the benefit. See SNAP 4451 for instructions. If the recipient is no longer eligible for TEA or SSI, the lump sum payment will be considered a resource.
11. Retroactive wages (net) paid on a one-time basis to correct a previous underpayment or to otherwise adjust wages.
12. Vacation pay (net) when received as a one-time payment after termination or layoff.
13. Severance pay (net) when received as a one-time payment. (See SNAP 5716 *for instructions on handling severance pay received in installments*.)
14. Salary bonuses (net) that cannot be considered to be annual bonuses. See SNAP 5502 for additional information.

15. Transitional Employment Assistance (TEA) Diversion Assistance Payments.

Non-recurring lump-sum payments excluded as income must be counted as a resource in the month received, unless specifically excluded as a resource by Federal statute or regulation. See SNAP 4450 for a list of resources excluded by law.

See SNAP 4951 for instructions on handling lump-sum payments.

5410 Recoupments

SNAP Manual 08/01/04

A recoupment is the voluntary or involuntary return of money from and assistance payment, earned income or other income source to repay a previous overpayment received from that income source. Monies being withheld from social security, SSI benefit or other federal payments to repay a SNAP overpayment under the Treasury Offset Program (TOP) will NOT be excluded as income. The gross benefit amount must be counted in the SNAP budget. See SNAP 15930 for information about the TOP Program.

Monies currently being recouped are excluded as income if both of the following conditions are met.

CONDITION 1: The income in which the overpayment occurred must not have been excluded in the SNAP budget at the time of overpayment.

EXAMPLE: The Office of Child Support Enforcement (OCSE) determined that a child support recipient was overpaid because she kept child support payments for a child who was receiving TEA cash assistance. These child support payments were excluded as income in the SNAP budget at the time this overpayment occurred. The household no longer receives TEA cash assistance but does continue to receive child support through OCSE. Part of this child support is being recouped to repay the overpayment. Since the child support payments were excluded as income in the SNAP budget at the time of the overpayment, the gross child support income (including the amount being recouped) will be counted in the current SNAP budget.

CONDITION 2: For an overpayment in TEA (or AFDC) benefits, SSI benefits or HUD assistance, the overpayment must not be classified as an Intentional Program Violation (IPV). The agency administering the program makes the decision whether or not to classify an overpayment as an IPV. (DHS does conduct administrative hearings to determine fraud in TEA cases. See TEA 8100.) When the agency administering the program cannot or will not tell the county office worker if

an overpayment is classified as an IPV, the county office worker will assume this condition has been met. (See the next paragraph for additional information about SSI recoupments.)

Federal programs must have a process such as an administrative hearing in place to legally determine that an IPV has occurred. The Social Security Administration does not currently classify overpayments as an IPV through an administrative process. Therefore, any portion of a SSI benefit that is being recouped to repay an overpayment will be excluded as income even if it appears that the household was at fault for the over issuance.

Monies are being recouped from a social security check to repay an SSI overpayment will also be excluded as income in the SNAP budget even if household was at fault for the SSI overpayment.

If the county office worker determines that 1) the income was not excluded in the SNAP budget at the time the overpayment occurred and 2) the overpayment is not classified as an IPV by the agency administering the program, the amount currently being recouped will be excluded as income. If the income was excluded in the SNAP budget at the time the overpayment occurred **OR** if this is a TEA, AFDC, or HUD overpayment that is classified as an IPV through an administrative hearing, the full gross amount of the income (including the amount being recouped) will be counted in the SNAP budget.

5411 Reimbursements

SNAP Manual 01/01/00

Payments which cover past or future expenses are excluded as income if the payment does not exceed the actual expense and does not represent a gain or benefit. This does not apply to reimbursements for normal living expenses such as rent, utilities, personal clothing, etc.

NOTE: No portion of a TEA cash assistance payment will be excluded as a reimbursement for past or future expenses.

To be excluded, the payment must be for a specifically identified expense and used for the purpose intended. Any portion of the payment that exceeds the actual incurred expense or covers normal living expenses is considered income. A payment is not considered excessive unless the provider or the household indicates the amount is excessive. When a payment covers several expenses, each expense does not have to be separately identified provided the payment covers only normal living expenses.

Some, but not all, excludable reimbursements are listed below.

1. **Reimbursements or flat allowances for job related expenses such as travel, perdiem, uniforms, or transportation to and from a job or a training site.**
2. **Reimbursements for out-of-pocket expenses incurred by volunteers during the course of volunteer work.**
3. **Medical or dependent carereimbursements.**
4. **Reimbursements received by households to pay for services provided by Title XXof the Social Security Act.**
5. **Utility reimbursements made by the Department of Housing and Urban Development (HUD) and the Farmers Home Administration (FMHA).**

See SNAP 1622.3 for information about handling reimbursements received by students. See SNAP 5714 for information about handling reimbursements for normal living expenses.

5412 Third-Party Beneficiary

SNAP Manual 07/01/03

A beneficiary is an individual for whom a gain or benefit is intended.

An individual who receives an entitlement check such as VA or SSA is usually the intended beneficiary. However, in some cases, the intended beneficiary does not actually receive the income. Another individual is designated to receive the income as a payee and to use the income for the care and maintenance of the intended beneficiary. In these cases the intended beneficiary is called a third-party beneficiary.

Money received for the care and maintenance of a third-party beneficiary who is not a household member is excluded to the extent that the money is actually used for the care and maintenance of the beneficiary.

EXAMPLE 1: Mr. Smith is the payee for his brother's SSI check. Mr. Smith and his brother do not live together. Mr. Smith states that he uses all of the SSI check to meet his brother's needs. None of the SSI check would be counted as income in Mr. Smith's SNAP case.

If the intended beneficiaries of a single payment are both household and non-household members, any identifiable portion of the payment intended and used for the care and maintenance of the non-household member is excluded.

EXAMPLE 2: Ms. Conway receives Social Security for herself and one child. Ms. Conway is enrolled in college. She lives on campus and the child lives with its grandmother.

The grandmother receives SNAP. Ms. Conway states that she keeps $100 of the social security payment and gives $100 to the grandmother to take care of her child. $100 will be counted in the grandmother's SNAP case.

If the non-household member's share cannot be readily identified, the payment will be evenly prorated among the intended beneficiaries. The amount excluded will be the lesser of the household member's pro rata share or the amount actually used for non-household member's care and maintenance.

EXAMPLE 3: Mrs. Scott receives child support in the amount of $500 for three children ages 6, 9 and 17. The seventeen year old child lives with an aunt. Mrs. Scott states that she gives the aunt some money for the 17 year old each month. The amount varies depending on the child needs. She estimates that it averages out to around $175 per month. The $500 child support payment is prorated among the three children. The pro rata amount of $166.66 is excluded from Mrs. Scott's income when calculating a SNAP budget.

If the intended beneficiary is included in a household that receives SNAP benefits, the amount received by the beneficiary or used by the payee for the beneficiary's care and maintenance will be counted as income in that household's SNAP budget. This means that if both households receive SNAP benefits, the full amount of the benefit should be counted. The benefit amount may be counted in full in either budget or split between the two budgets. See SNAP 5706.

5413 Vendor Payments

SNAP Manual 06/01/01

Vendor payments are monetary payments made by a non-household member for household expenses.

To be excluded as income, these payments must be made by a person outside of the household directly to the household's creditors or to a person or organization that is providing a service to the household.

The household must not have the option of receiving these funds directly.

Examples of excluded vendor payments appear below:

1. A friend, employer, agency, church, relative, or former spouse makes payments for household expenses such as rent or utilities directly to the landlord or utility company.If

the payment is made from funds not owed to the household, is a vendor payment and excluded as income.

2. If an employer pays a household rent or house payment directly to the landlord or financial institution in addition to paying regular wages, this is a vendor payment and excluded as income. If the employer provides a house to an employer, the value of the housing will not be considered as income.
3. Separate and identifiable alimony or support payments made by a person outside of the household under a court order or other legally binding agreement which requires direct payment to a third party are vendor payments and excluded as income by the household receiving the benefit. See SNAP 6550 for instruction on child support as a deductible expense. (When the court awards part of a pension to an ex-spouse and that payment is diverted by the payer directly to the ex-spouse, only the portion actually received by the household will be considered income. See SNAP 5712.)
4. Payments by a government agency to a child care facility for the purpose ofproviding day care for a household member are considered vendor payments and excluded as income.
5. Payments or allowances made by Department of Housing and Urban Development (HUD) or by the Farmers Home Administration (FMHA) directly to mortgage holders, landlords or utility providers are vendor payments and excluded as income. (See SNAP 5411 for instructions on handling utility reimbursements or utility assistance payments from HUD or FMHA.) Mortgage payments made by state or local housing authorities directly to the mortgage holder are also considered vendor payments and excluded as income.
6. Emergency assistance for a migrant or seasonal farm worker household during the period the household is in the job stream is considered a vendor payment and excluded as income. Such assistance may include, but is not limited to, emergency vendor payments for housing or transportation. See SNAP 5405, item 11.

Public assistance (PA) vendor payments are treated as follows:

1. PA vendor payments made for medical assistance are excluded as income.
2. Assistance payments provided to a third party on behalf of a household under a State or Local General Assistance (GA) program or a comparable program are excluded as a vendor payment so long as no cash assistance is provided directly to thehousehold.

NOTE: No such programs are known to exist in this State; however, payments received under these conditions in other states will be excluded as income.

3. Emergency and special public assistance (PA) funds provided to a third party on behalf of a household are excluded as a vendor payment if the assistance is provided over and above the normal PA grant or payment.

Vendor payments included as income are called Diverted Payments or Diverted Wages. See SNAP 5706, Diverted Payments, or SNAP 5506, Diverted Wages.

5413.1 Demonstration Cash-Out Projects

SNAP Manual 06/01/05

Demonstration project cash-out funds are excluded as income. Cash-out funds are in-kind or vendor payments that have been converted to direct cash payments under the approval of a federally authorized demonstration project. If the in-kind or vendor payment would have been excluded as income, the cash-out funds will also be excluded as income. Under these provisions, money received from the Cash and Counseling Demonstration Project for Medicaid recipients is excluded as income. This program, which is operational in Arkansas, provides cash to certain Medicaid recipients so they can purchase personal care services. The Independent Choices Program is a cash and Counseling Demonstration Project.

NOTE: See SNAP 5512 for instructions if the attendant care provider is a household member and the funds come from a source **other than** a Demonstration project under the Cash and Counseling Demonstration Project.

5413.2 Individual Development Accounts Matching Payments

See SNAP 5405, item 16 for information about SSI PASS plans.

When a Family Self-sufficiency program participant has an increase in earnings, the public housing authority increases his or her rent, but deposits the increase in an interest bearing account. When the participant successfully completes the program and can verify that no household member is receiving welfare assistance, he or she receives the funds in the account. Funds may be withdrawn from the escrow account before completing the program, with permission from the housing authority, but only for purposes related to the goal of the FSS contract, e.g. - completion of higher education, job training or start up costs of a small business.

Matching funds deposited into any of the following Individual Development Accounts (IDAs) will not be counted as income.

Under the Family Savings Initiative Act of 1999 (Act 1217) households with low income and few assets may accumulate assets by opening an individual development account (IDA). An IDA

Program participant must be a resident of the State of Arkansas and a TEA recipient families or a member of a family with income below 185% of the federal poverty level. The family must have a net worth of $10,000 or less disregarding their primary dwelling and one motor vehicle. Account contributions are matched at a rate of $3.00 for each $1.00 contributed by the account holder. Matching dollars may not exceed $2,000 per account holder or $4,000 per household.

A Family Savings IDA may be used for any of the following reasons:

- Home purchase (limited to qualified first-time home buyers)*
- Business capitalization*
- Post secondary educational expenses*
- Individual retirement account
- Vehicle purchase or repair (if not the sole purpose of the IDA)

* If Federal TANF funds are used as a match, only purposes 1, 2 and 3 are allowable.

Any matching dollars deposited into the account are excluded as income. (The value of the IDA is not a countable resource per SNAP 4460.)

The Good Faith Fund is operating a demonstration program called the Savings for Education, Entrepreneurship, and Down Payment (SEED) Program. The Program helps 3 and 4 year old children and their families save and plan for college. A savings account is opened and initially deposited with $500 which will be matched by $500 deposited by the Good Faith Fund. Any deposits made by the household will be matched dollar for dollar by the Good Faith Fund. Withdrawal from a SEED account requires two signatures – the account holder and a designated employee of the Good Faith Fund. The Good Faith Fund will not permit withdrawal unless there is a documented emergency – e.g., so the child will not be without shelter or medical care. Any deposits made by the Good Faith Fund into the child's savings account will be excluded as income. (The SEED account will be excluded as a resource per SNAP 4460.).

5414 Earned Income Tax Credits

SNAP Manual 01/01/00

An earned income tax credit will be excluded as income regardless of how the tax credit is received.

An earned income tax credit may be paid in a lump sum payment or as part of the employee's regular wages. When an earned income tax credit is paid as part of the employee's regular wages, the credit will be excluded before the earned income deduction is allowed.

EXAMPLE: If gross earnings were $500 every two weeks and the household receives a $40 earned income tax credit, the earned income deduction will be based on $460 gross earned income.

5415 Verification of Excluded Income

SNAP Manual 01/01/00

With the exception of loans, excluded income will be verified at initial application only when questionable. Loans received by a household are always to be verified at initial application.

Excluded income will be verified at recertification or reported change if:

1. The income is newly reported and is considered questionable;
   OR
2. The income has been reported previously but information about the income is considered incomplete, inaccurate, inconsistent, or outdated.

See the Glossary definition of Verification for additional information.

Acceptable verification of loans is a statement signed by both parties that indicates the payment was a loan and must be repaid. For student loans, see SNAP 1622.3. In questionable cases (e.g. - recurring loans from the same source are declared), an affidavit will be requested from the lender. The affidavit must establish that the loan is currently being repaid or that future payments will be made in accordance with an established schedule.

Acceptable verification of other questionable income includes statements from the provider of the income which establish the source of income; or collateral contacts that establish the source of the income.

For questionable irregular income, the verification must also establish the amount of income and the frequency of receipt.

5416 Documentation of Excluded Income

SNAP Manual 01/01/00

Document:

1. The name of the member who receives the income;
2. The source of the income;
3. The amount of the income;
4. The frequency of receipt; and

5. The reason the income is being excluded.

When excluded income is questionable, document:

1. The reason the income is questionable; and
2. The verification obtained.

For loans document:

1. The amount of the loan;
2. The source of the loan;
3. The verification obtained; and
4. The repayment schedule.

If an affidavit is requested, document the reason the loan was considered questionable.

5500 Included Income

SNAP Manual 01/01/00

All non-excluded income will be used to determine eligibility and SNAP benefit level. Non-excluded income is divided into two categories, earned and unearned income. The distinction between earned and unearned income is necessary since a special deduction is applied to earned income. (See SNAP 6200.)

5501 Earned Income

SNAP Manual 06/01/05

Wages and salaries received for services performed as an employee are earned income. Self-employment income is also considered earned income. (See SNAP 5600 for an explanation of the treatment of self-employment income.) Sources of earned income are listed below in alphabetical order.

- Annual Bonuses
- Attendant Care payments (except for payments under the Cash and Counseling Demonstration Project) when provided by an outside source and paid to another household member who is providing the attendant care
- Contractual Income
- Dependent Care payments when provided by an outside source and paid to another household member who is providing the dependent care
- Diverted Wages
- Military Pay
- Sick Pay/Maternity Benefits
- Rental Income (Under certain conditions as described in SNAP 5715)
- Training Allowances (Includes earnings under the Workforce Investment Act (WIA) Program. These payments were formerly known as JTPA payments.)
- VISTA payments
- Wages and Salaries (Includes income from odd jobs)

An explanation of each type of earned income is contained in the following sections of policy.

5502 Bonuses

SNAP Manual 01/01/00

Bonuses are monetary payments given to an employee by an employer in addition to the pay due to the employee. For example, if a farmer gives an employee a $500 cash gift at Christmas in addition to the employee's regular pay, the $500 is considered a bonus.

Only bonuses provided by an employer at approximately the same time and in about the same amount each year are annual bonus. For example, if a factory has a good year and gives all of its employees a one-time $100 bonus, the $100 payment will not be considered an annual bonus because no additional payments are expected. Conversely, if a factory routinely gives all of its employees a ham and a $100 bonus at Christmas, the $100 payment would be considered an annual bonus. Bonuses paid less frequently than yearly will be excluded as non-recurring lump sum payments.

See SNAP 7523.1 for instructions on handling these payments.

5503 Treatment of Annual Bonuses

SNAP Manual 06/01/05

Annual bonuses that can be reasonably anticipated will be counted as earned income in the SNAP budget. This may require the calculation of a variable budget as explained in SNAP 7523.3.

The household's certification period may be scheduled to end in the month before the household anticipates receipt of the annual bonus. This will allow the bonus to be counted in the month of receipt and deleted for any months remaining in the certification period.

5505 Contractual Income

SNAP Manual 01/01/00

Employees who derive their annual income under contractual arrangements must have their income prorated over a 12-month period. A contractual arrangement exists if the employee and employer have a written agreement that stipulates, at a minimum, the annual or monthly salary. Individuals paid on an hourly or piece work basis will not have their income prorated over a 12-month period. The school income of schoolteachers and school administrators must be annualized.

If the period specified on the contractual agreement is for less than a year, the income will be prorated over the contract period. (This statement will not apply to schoolteachers or administrators whose annual income is paid in less than 12 months.)

Land rent received on an annual basis is also considered contractual income. See SNAP 5715 since this is usually considered unearned income.

5506 Diverted Wages

SNAP Manual 01/01/00

Diverted Wages are wages which are legally obligated and payable to the household, but diverted by the employer. Situations where diverted wages should be counted as income include, but are not limited to:

1. The employer owes wages to a household, but diverts them instead to pay for a household expense such as a house payment, doctor bills, utility expenses, etc; **OR**
2. The employer holds money out of the paycheck as a result of a garnishment.

EXAMPLE: Mr. Smith is behind in his rent. The landlord agrees to let Mr. Smith work out his rent at $3.35 per hour by washing cars at the landlord's used car lot. The rent is $150 per month. Mr. Smith actually works 50 hours. The landlord gives him a check for $17.50 which is the difference between the rent and the amount Mr. Smith has earned.

Since this is money applied to the household expense which would otherwise be payable to the household, the caseworker will count $167.50 as earned income in the SNAP budget. $150 will be allowed as rent.

Child support being withheld by the employer is deductible as instructed in SNAP 6550. The deduction may be allowed even if the child support is being diverted to pay an expense for the child's household. For example, if part of the employee's pay is withheld by the employer and used to pay his ex-wife's rent in lieu of child support, the amount withheld would be deductible.

5507 Military Pay

SNAP Manual 01/01/03

Payment for duty in any branch of the Armed Services including the National Guard or Army Reserve will be counted as earned income. The basic pay of some military service personnel is

reduced to fund the G.I. Bill. The amount of the reduction will be excluded as income in the SNAP budget. All housing allowances (Variable Housing Allowance, Basic Allowance for Quarters, or Basic Allowance for Housing) are counted as earned income for SNAP purposes.

Educational benefits paid under the Montgomery GI Bill to students enrolled in an institution of post-secondary education are excluded as income. See SNAP 1622.3.

5508 Sick Pay/Maternity Benefits

SNAP Manual 01/01/00

Earned sick pay is defined as regular wages paid during the time an employee is absent from work due to either illness or maternity leave if:

1. The payee is still considered to be an employee and plans to return to work; and
2. The sick pay is received directly from the employer's funds.

Earned sick pay will be counted as earned income.

5509 Training Allowances/TRA Payments/Family Investment Programs

SNAP Manual 06/01/01

Payments to household members by vocational and rehabilitative programs for participation in a job training program are earned income when they are not considered a reimbursement. See SNAP 5411 for instructions on handling reimbursements.

See SNAP 5405 for a list of payments, including certain training allowances, excluded by law.

NOTE: The earnings of individuals participating in on-the-job training programs under a Workforce Investment Act (WIA), which was formerly known as JTPA, are counted as income unless the participating member is under 19 years of age and under the parental control of another adult member. See SNAP 5405.

Under the Family Investment Centers program, the Department of Housing and Urban Development provides families public housing and Indian housing with services such as childcare, employment training and counseling, literacy training, computer skills training, and assistance in getting a GED. The value of these services will not be counted as income. However, wages and/or stipends paid under this program will be counted as earned income.

The Trade Adjustment Act (TAA) and Trade Readjustment Act (TRA) are designed to help workers who lost jobs due to the effects of imports. Benefits provided under these Acts include

retroactive unemployment insurance payments, vocational training, classroom training and per diem for out-of-town interviews. Funds paid under either of these acts must be counted as unearned income.

5511 VISTA Payments

SNAP Manual 01/01/00

VISTA payments made to volunteers who were not receiving TEA Cash Assistance, AFDC, or SNAP benefits at the time they joined VISTA will be counted as earned income. See SNAP 5405for additional information.

5512 Wages and Salaries

SNAP Manual 06/01/05

All money paid by check or in cash to an individual for services performed as an employee will be counted as income.

Advances of wages will be considered income in the month received if paid in anticipation of work to be performed and if the advance is to be deducted by the employer from wages paid at a later date.

Attendant Care payments are counted as wages if

- The funds for the attendant care cost are provided (or reimbursed) by a source outside the household other than the Cash and Counseling Demonstration Project for Medicaid recipients; and
- These funds are paid to another household member who is actually providing the attendant care.

Dependent Care payments are counted as wages if

- The funds are for the dependent care costs are provided (or reimbursed) by a source outside the household; and
- These funds are paid to another household member who is actually providing the dependent care.

When an employer provides money and this money is to be repaid directly, the money will be considered to be a loan. Loans are excluded as income. See SNAP 5408.

5500 Included Income

5512 Wages and Salaries

Money provided in advance by an employer for expenses which will be incurred during the course of the job will be considered a reimbursement. See SNAP 5411.

5512.1 Odd Job Income

SNAP Manual 01/01/00

Odd job income includes earnings mowing lawns, raking leaves, unloading trucks, sweeping sidewalks, collecting and selling cans, etc. (This will not include income of less than $30 in a three-month period that is received too infrequently or too irregularly to be reasonably anticipated.)

In most instances, income from odd jobs will be treated as self- employment income. The worker will obtain a gross monthly income figure, will exclude any expenses (e.g. gas for a lawn mower) and will allow the earned income deduction. See SNAP 6200 for an explanation of the earned income deduction.

To obtain the gross monthly income from odd jobs, the county office worker will:

- Obtain an average figure using the actual income from odd jobs for at least the last two month period; or
- Anticipate the household's income from odd jobs based upon the household's income for any previous months along with the household's statements regarding any anticipated changes; or
- Base the anticipated income upon the statements of collateral contacts; or
- Use some other reasonable method of determining the monthly income.

The worker must document exactly how the household's gross monthly income from odd jobs was determined. If any expenses are excluded, these must be fully documented. This includes the type of expense, the amount excluded, and any verification obtained.

If any of the household members is capable of maintaining a record of the income from odd jobs, the worker will request that such records be maintained to be used as income verification. (This is not a requirement. Even if a member of the household appears capable of maintaining a record of odd job income, the household's application will not be denied for failure to produce such a record.) If a member routinely does odd jobs for the same person or persons, odd job income may be verified through collateral contact with these people. If no verification of odd job income can be obtained, the household will be interviewed regarding the odd job income, and the household's statements regarding this income will be accepted.

5514 Verification of Earned Income

SNAP Manual 10/01/03

Earned income must always be verified at initial application and when a semi-annual report is submitted. Earned income will be verified at recertification when a change is reported independent of the semi-annual report if he income is from a new source, or has changed by $50.00 or more. Income that is unchanged or that has changed by less than $50.00 will be verified only if information regarding the income is incomplete, inaccurate, inconsistent or outdated. See the Glossary definition of Verification for additional information. Acceptable verification of earned income is listed below in order of preference.

1. The most recent consecutive check stubs that accurately portray the individual's income.
2. An *Earnings Statement* (DCO-97) properly completed by the employer or designee and containing weekly earnings if a history of earnings is available.
3. A signed statement from the employer that indicates the date of the most recent consecutive pay periods and the gross amount received at each pay period.
4. A copy of the employer's wage records for the most recent consecutive pay periods.
5. Telephone contact with the employer.
6. A *Check Verification Form* (DCO-70) indicating the gross amount of each of the most recent checks.
7. Pay envelopes if properly dated and indicating the gross pay.

If none of these items are available and the household has not changed employers, one of the following items may be used as verification of earned income.

- Employee's W-2 Form - (for monthly income divide yearly wages bytwelve).
- State or Federal Income Tax Returns - (for monthly income divide yearly wages by twelve).
- The most recent information appearing on the WESD "Wage Screen - (for monthly income divide quarterly wages by three).
- State Income Tax Bureau - (most recent wages reported).

No household will be denied SNAP benefits solely because someone outside the household failed to cooperate with a request for verification. The term "outside the household" will not apply to ineligible students, ineligible aliens, or to individuals disqualified or ineligible for one of the following reasons: a) intentional program violation; b) failure to provide a social security number; c) noncompliance with the work registration requirements; d) noncompliance with the

workfare requirements e) noncompliance with the Requirement to Work; f) fleeing felons; or g) conviction of a drug related felony.

5515 Special Verification

SNAP Manual 01/01/00

1. **Annual Bonuses** - The anticipated date of receipt and the amount of the annual bonus, if known must be verified.
2. **Contractual Income** - The terms of the contractual agreement, the months covered by the contract and whether the contract specifies a yearly or monthly amount must be verified.
3. **Diverted Payments** - Whether or not the payment was made from funds owed to the household must be verified.
4. **Sick Pay/Maternity Benefits** - Whether or not the individual receiving the pay is still considered an employee must be verified. The source of the payment must beverified.
5. **Tax Credits** - The frequency of the payment and the amount of the payment must be verified.
6. **VISTA Payments** - When the volunteer joined VISTA and if they were receiving TEA (AFDC) or SNAP benefits at the time they joined must be verified.

This income may be verified by a statement or collateral contact with the employer or the source of the income. When an employer is unable or unwilling to cooperate in providing needed verification, the household may not be denied solely due to lack of verification. Alternative forms of verification such as tax returns or collateral statements may be used. In the absence of any type of verification, the household may furnish a written statement of the income amount.

5516 Documentation of Earned Income

SNAP Manual 01/01/00

The county office worker must document:

- The name of the household member with earned income
- The source of the earned income; and
- The verification obtained for the earned income. Pay period ending date, date paid, and gross income amount must be documented for each pay period verified.

In addition, any special verification obtained must be documented.

5500 Included Income

5516 Documentation of Earned Income

If the employer (or other source of income verification) cannot or will not cooperate in providing needed verification, the worker must document:

- All attempts to obtain verification; and
- The information upon which the worker based income used in the budget.

5600 Self-Employment Income

SNAP Manual 01/01/00

This section describes the procedures for processing applications when a household has a member with self-employment income. These procedures also apply to households that own or operate a commercial boarding house and to household with members considered to be boarders.

See SNAP 4960 for instructions on handling the resources of self-employed persons.

See SNAP 3280 for the work registration requirements for self-employed household members.

5610 Definition

SNAP Manual 01/01/00

Self-employment is defined as receiving income directly from one's own business, trade, or profession, rather than receiving a specified salary or wage from an employer.

Examples of some self-employment income situations are shown below.

- A household member owns and manages a clothing store. The income received from the business is the household's sole source of income.
- A household member is the owner of a farm. This household member manages the farm on a routine daily basis.
- A household member is engaged in Tupperware or Avon sales.

See SNAP 5630 for additional information.

5620 Commercial Boarding Houses

SNAP Manual 01/01/00

A commercial boarding house is an establishment where the proprietor offers a room and meal to individuals for the purpose of producing a profit. To determine the income from a commercial boarding house, the county office worker will calculate the total payments to the proprietor from the boarders and then exclude the costs of doing business. See SNAP 5622.

5621 Households with Boarders

SNAP Manual 01/01/00

A boarder is a person to whom a household furnishes lodging and meals for compensation. Boarders are excluded from the SNAP household when the household's eligibility and benefit level is determined. Income from the boarder includes all direct payments to the household. However, shelter expenses paid directly by the boarder to someone outside of the household are not counted as income and are not deducted as a shelter cost.

EXAMPLE 1: A boarder pays, in addition to his board payment, $15.00 per month to the household as his portion of the heating bill. This payment of $15.00 is counted as income to the household.

EXAMPLE 2: A boarder pays the household's gas bill directly to the gas company. The value of this payment is not income to the household. The gas bill is not allowed as a shelter cost.

5622 Allowable Costs of Doing Business

SNAP Manual 01/01/00

Households with boarders may exclude as income all allowable costs of doing business. The allowable cost of doing business is equal to:

- The maximum SNAP benefit amount for a household size equal to the number of boarders; or
- The actual documented costs of providing room and meals if the actual costs exceed the appropriate SNAP benefit amount. If actual costs are used, only separate and identifiable costs of providing the room and meals to boarders will be excluded as income.

NOTE: The allowable costs of doing business must not exceed the payment the household receives from the boarder.

EXAMPLE 1: Mr. Seller has two boarders in his household. They pay $200 each to Mr. Seller each month. Mr. Seller does not keep records of his expenses for providing rooms and meals to his boarders. As of 10-1-01, the maximum SNAP benefit amount for a two person household was $238. $238 will be excluded from the $400 total payment as the allowable cost of doing business.

EXAMPLE 2: Mr. Green also has two boarders in his household. They also pay $200 each on a monthly basis. Mr. Green does keep receipts for the food he purchases for his boarders. He also keeps records of his costs for utilities. His total documented costs are $255. $255 will be excluded from the $400 total payment as the allowable cost of doing business.

5623 Determining Income

SNAP Manual 01/01/00

Net monthly self-employment income from boarders is determined by:

1. Adding together all direct payments to the household by the boarders, then
2. Subtracting the allowable costs of doing business.

5630 Self-Employment Income

SNAP Manual 01/01/00

To be self-employed, an individual must be engaged in an enterprise for the purpose of producing income. The individual must have direct involvement in the enterprise.

EXAMPLE: A person who rents his land to another individual to raise a crop is not a self-employed farmer if he is not directly involved in the growing or harvesting of the crop.

Most self-employment enterprises are sole proprietorships. A sole proprietorship is an unincorporated business that has no existence apart from the owner. The business liabilities are the liabilities of the owner.

5631 Partnerships

SNAP Manual 01/01/00

Some self-employment situations involve a partnership. In a partnership, there should be an oral or written agreement that determines the amount of income and expenses attributed to each partner.

5632 Contractors

SNAP Manual 01/01/00

Some contractors are considered to be self-employed while others are not. The status of a contractor must be decided on a case-by-case basis.

A self-employed contractor usually operates a separate, more specialized business than the proprietor of the main business and must pay his or her own expenses. He or she may not have an established work schedule and specified wages. Usually, the employer will not withhold social security and income tax from a self-employed contractor's earnings.

EXAMPLE: A sharecropper who pays the costs of doing business and receives a portion of the net income in exchange for his labor is a self-employed farmer. A sharecropper who does not pay the costs of doing business is not a self-employed farmer.

5633 Corporations

SNAP Manual 01/01/00

Corporations are separate legal entities responsible for its debts and obligations. Shareholders who receive only dividends are entitled to neither the costs of producing self-employment income nor the earned income deduction. The dividends will be counted as income in the month received or prorated over the period of time the payment is intended to cover.

If a household has shares, in an S Corporation, the S Corporation income reported on the household's form 1040 must be counted as income. Income from an S Corporation will be annualized, that is averaged over a 12-month period, and the earned income deduction will be allowed. If an individual owns a corporation other than an S Corporation and receives a salary from that corporation, he or she is considered to be an employee of that corporation. The salary will be handled as earned income in the SNAP budget.

The resources of a corporation including bank accounts, belong to the corporation regardless of whether or not they are income producing. Resources owned by a corporation will be excluded when determining SNAP eligibility.

If an individual owns stock in a corporation, the stock is counted as a resource unless the stock is essential to the individual's employment and the employee works at least 30 hours per week in the business or earns 30 hours per week multiplied by the federal minimum wage. If the employee of a corporation must hold stock in the corporation as a condition of employment, the stock will be considered essential to employment.

EXAMPLE: A farmer has incorporated his farm. All of the corporation's assets are related to the farm. The farmer is the corporation's sole employee. He works at least 40 hours each week on the farm. The corporation's stock is excluded as a resource.

Verification of income from a corporation may be obtained from the corporation's books or tax records. If the value of stock in a corporation is not readily available, the value may be determined by subtracting corporate liabilities from assets and prorating the difference among the shareholders based on the percentage of shares held.

5640 Capital Gains

SNAP Manual 01/01/00

The term "capital gains" as used by the IRS describes the handling of profits from the sale or transfer of capital assets used in a self-employment operation. For IRS purposes, such proceeds less depreciation are considered taxable income. In the Supplemental Nutrition Assistance Program, depreciation is not allowed; so, for the purpose of determining SNAP eligibility, a capital gain is the sale price less encumbrances, interest, penalties, etc.

Net capital gains are counted as part of the household's self-employment income before the costs of producing the income are excluded.

EXAMPLE: A farmer purchased a used combine for $6,000 in 1987. He depreciated the combine over a period of ten years for a total depreciation amount of $6,000. In 1998, he sold the combine for $2,000. He owed nothing on the combine. for Federal tax purposes, he had no capital gain on the combine. For SNAP purposes, he had a capital gain of $2,000.

5650 Special Payments to Farmers

SNAP Manual 01/01/00

A farmer may receive any of the following payments or credits if he or she applies for the payment and is eligible to receive the credit or payment:

Federal Gasoline Tax Credit
This is a credit against tax liability. It is excluded as income.

State Gasoline Tax Refund
This is a non-recurring lump sum payment. It is excluded as income.

NOTE: The Federal gasoline tax credit and the State gasoline tax refundmay be combined on the same line of the tax form.

Recaptured Depreciation and Recaptured Investment Credit
IRS allows self-employed individuals to deduct depreciation on property as a cost of doing business. When the property is sold before the end of its useful life, the seller must declare a portion of the depreciation as income for IRS purposes. This is commonly referred to as recaptured depreciation.

IRS allows a percentage of certain investments to be deducted as an expense. If the asset is disposed of or ceases to be eligible before the end of the recapture period for recovery property or before the end of the estimated life used to figure the credit, a percentage of the credit may have to be recaptured for IRS purposes. This is commonly referred to as recaptured investment credit.

Recaptured depreciation and recaptured investment credit are considered to be capital gains.

Patronage Dividends
These are dividends paid by cooperatives in cash or in shares of stock. These dividends are similar to rebates paid based on the amount of goods bought or services used for the self-employment enterprise. Cash dividends are counted as income. Stock dividends are counted as a resource.

Royalties
Payments received as royalties are counted as unearned income, not as part of the self-employment income.

Rental Property
Rent payments are counted as self-employment income. Payments from rental property that is not part of the business will be handled as a separate source of self-employment income.

Agricultural Stabilization and Conservation Service (ASCS) Payments
Except for loans and payments made as a result of a Presidentially-declared disaster, ASCS payments are counted as earned self-employment income. Payments made as a result of a Presidentially-declared disaster are excluded as income and resources in accordance with the Disaster Relief Act of 1974 as amended.

There are numerous and constantly changing programs under the ASCS including several programs that make payments to farmers for crop losses.

Under the Payment-in-Kind (PIK) program, farmers receive commodities from the U.S. Department of Agriculture, Commodity Credit Corporation (CCC). The household receives no income until the grain is sold. If the commodities are expected to be sold during the year, the anticipated income must be included as self-employment income. The CCC may also pay farmers in the form of commodity certificates for land diversion or acreage reduction. The certificates may later be surrendered to the CCC for cash or for commodities, or the farmer may sell the certificates to someone else, usually for a profit.

The certificates are valued in dollars. When the certificates are used, the farmer receives cash or commodities based on the price of the commodity at the time the certificate is used. Cash received under this program is counted as income in the year it is expected to be received. PIK payments counted as income are annualized. The value of commodities the farmer intends to use as feed or seed is excluded as income. If the farmer intends to hold the certificate or commodities for longer than one year, the value of the commodities is counted as a resource.

A farmer may sell commodities they own to the CCC and receive them back from CCC as PIK commodities. The CCC pays farmers for the commodities with the payment being used to repay price support loans previously extended to the farmer by CCC. These sale and loan payments should be treated as separate transactions from the receipt of CCC certificates or PIK commodities and should be handled as any other sale of commodities and repayment of a price support loan.

Federal Crop Insurance Corporation (FCIC) Payments
The farmer must pay a premium to be covered by the FCIC. Payments from the FCIC are excluded as a non-recurring lump sum payment.

Crop Insurance Payments / Private Company Payment
Crop insurance payoffs from private companies are excluded as income if received in a lump sum payment. Payoffs received in installments are counted as income.

5660 Determining Self-Employment Income

SNAP Manual 01/01/00

Self-employment income is all proceeds from the sale of goods or for services rendered by the self-employed individual plus any capital gains less the costs of producing the income. The form *Statement of Self-Employment* (DCO-226) will be used to calculate self-employment income from operations other than farms. The form *Income from Farm Operations* (DCO-227) will be used to calculation self-employment income from farms.

5661 Annualizing Self-Employment Income

SNAP Manual 01/01/00

(This section of policy applies to businesses in existence for longer than one year. The policy at SNAP 5662.1 applies to business in existence for less than one year.)

Normally, self-employment income is annualized. Averaging self-employment income and expenses from the past year over a 12-month period annualizes the income. Regardless of whether the household receives the income monthly or less often than monthly, self-employment income will be annualized when the income represents a household's annual income.

EXAMPLE 1: A household member is self-employed as a carpenter. He receives income from various jobs throughout the year. His income from carpentry will be annualized.

EXAMPLE 2: A household member has a farm. He raises cotton and soybeans. He receives income from the sale of the cotton and soybeans in the fall of the year, but it represents his annual income. His farm income will be annualized.

Self-employment is annualized even if the household receives income from other sources.

EXAMPLE: A household member has a farm. He raises cotton and soybeans. The income he receives from the sale of the cotton and soybeans in the fall of the year represents his annual income. Even though his wife works full time, the farm income will be annualized.

5662 Self-Employment Income that is not Annualized

SNAP Manual 10/01/03

If self-employment income is intended to support the household for only part of the year, income from the past year will not be annualized. Instead, the self-employment income from the past year will be averaged over the period of intended use and counted as anticipated income in those months.

EXAMPLE: Mr. G works as a bus driver for the local school. During the months of June, July and August, he raises produce and sells it at the farmer's market. The income from the sale of produce is intended to support Mr. G's family during the months of June, July and August. The income from this operation will be averaged over the months of June, July and August and shown in the SNAP budget only for those months.

If the period of intended use will end before the month in which the household's semi-annual report is due to be submitted, the county office must insure that the income is dropped from the budget after the period of intended use ends. Similarly, if the period of intended use ends after the semi-annual report is issued but before the household's recertification is due, the county office must insure that income is dropped from the budget after the period of intended use ends.

5662.1 Self-Employment Enterprises in Business for Less than One Year

SNAP Manual 10/01/03

No income from a self-employment business will be counted until the household has actually received income from the business. Once the operation has been in existence long enough to make a projection of future income, the income received to date will be used to project future income. To project future income, the county office worker will average the self-employment income and expenses over the period of time the business has been in existence.

EXAMPLE: A household submits an initial application for SNAP. For the last eight months the case head and his wife have operated a detail shop. The couple provides their income tax return to verify their self-employment income. The self-employment income on the tax return covers the period from July 1 through December 31. The operation's income and expenses must be divided by six to anticipate the couple's income from the detail shop.

When self-employment income cannot be projected, the household will be assigned a four-month certification period. At each recertification, the household must provide verification of the business' income and expenses for the four-month period just prior to the month of recertification.

Some households have a farm operation that shows income only at the end of the year. For example, a farmer raises cotton and soybeans. This household will not have any income to show from the self-employment operation until all crops are in and sold and all expenses paid. In that case, no income will be shown until the end of the year, and the household will be assigned four month certification periods until there is enough information to project self-employment income.

5662.2 Self-Employment Income That Increases or Decreases Substantially SNAP Manual 01/01/00

If the household anticipates changes in the self-employment enterprise, these changes must be considered when the self-employment income is anticipated.

EXAMPLE: A household member raises chickens for a poultry processor. At recertification, he reports that one of his three chicken houses was destroyed in a storm. Since his oldest son has joined the service and left the home, he does not plan to rebuild the chicken house. His anticipated income must be adjusted to reflect this anticipated change in income and expenses.

The county office worker will not change the self-employment income if the reported increase or decrease is due to a seasonal fluctuation in income.

EXAMPLE: Mr. F has self-employment income from a roofing company. He applies for SNAP benefits in January. He reports no income from the roofing company due to bad weather. This is considered a seasonal fluctuation in income. The income from the roofing company will be anticipated based on last year's income.

If the increase or decrease is not due to a seasonal fluctuation, the county office worker must anticipate the effect of the change on the household's self-employment income. Examples of such changes include, but are not limited to, a change in the type of business, a change in the size of the business, or a substantial change in the amount received for the product.

EXAMPLE: Mr. K is self-employed as a bricklayer. He applies for SNAP benefits in March. He reports that he hasn't been able to work since January when he had a heart attack. He has gone back to work, but he will not be able to work as many hours or to accept as many jobs. The worker must anticipate his self-employment income based on his current situation.

5662.3 Anticipating Capital Gains

SNAP Manual 01/01/00

When self-employment income is anticipated, any capital gains that the household anticipates receiving during the 12-month period must be divided by 12 and the average monthly amount added to the monthly self-employment income. The average capital gain amount must be counted in each of the 12 months during which the income is anticipated to be received. However, if the anticipated amount of capital gains changes, a new average must be calculated.

5663 Costs of Producing Self-Employment Income

SNAP Manual 01/01/00

Costs of producing self-employment income are excluded from the gross income. Allowable costs include, but are not limited to, the identifiable costs of:

- Labor such as wages and salaries paid to employees. (Wages paid to the business owner or other household members are NOT allowable costs.)
- Stock.
- Raw material and supplies.
- Seed and plants.
- Fertilizer and lime.
- The interest (but not the principal) portion of payments on business or operating loans or payments on income producing real estate and capital assets like equipment, machinery or other durable goods.
- Insurance premiums paid on buildings, equipment or other income producing property.
- Taxes paid on income producing property.
- Privilege taxes such as excise taxes that must be paid in order to earn self-employment income.
- Licensing fees.
- Business transportation costs.
- Rental payments on income producing property. If a business owner is renting equipment with an option to buy, the rent payments are allowable until the purchase is made.
- Utilities paid on business property.
- Costs for the repair and maintenance of equipment.
- Storage and warehousing costs.
- Special equipment or clothing specifically needed to perform the job. (Blue jeans and work boots would not be considered special equipment since they are not specific to a particular job. Hip boots used by a fisherman would be considered special equipment. Welder's shields or special gloves used by welders would be considered special equipment. Uniforms purchased to wear in a house cleaning operation would be considered special clothing.)
- The cost of rooms and meals for any self-employed individual whose job takes him or her away from home and requires them to remain at the job siteovernight.

The following items **WILL NOT** be considered costs of producing self-employment income:

- Payments on the principal (but not the interest) portion of payments on business or operating loans or payments on income producing real estate and capital assets like equipment, machinery or other durable goods.
- Expenses and net losses from previousyears.
- Federal, state and local income taxes.
- Money set-aside for retirement.
- Work related personal expenses such as transportation to and from work.
- Depreciation.
- Penalties and fines.
- Charitable contributions.

5663.1 Rent or Mortgage, Taxes and Insurance Payments as Costs of Producing Income

SNAP Manual 01/01/00

If the household's home is on property connected to the property used for the self-employment enterprise, the county office worker must determine if the household's shelter costs can be separated from the costs of doing business. If necessary, proration may be used to determine the amount of the payment on the property attributed to shelter costs. This calculation may be based on information from a mortgage lender, real estate tax records, Farmers Home Administration (FHA) documents, insurance premiums, etc.

EXAMPLE: A household submits a loan agreement for the purchase of a dairy farm and house. The monthly payment is $1,500. The portion of the payment attributed to the dairy farm is $1,000. The portion of the payment attributed to the house is $500 or 33% of the total payment. The remainder of the payment will be excluded as a cost of producing the self-employment income.

This percentage may be applied to taxes and insurance costs if no better information is available. If the costs of rent or mortgage (or interest on the mortgage), insurance, taxes and interest cannot be separated, these costs will neither be allowed as a shelter cost nor as a cost of producing the self-employment income.

If a household uses part of the residence such as a room or a separate apartment solely for the self-employment operation, the county office worker will, at the household's discretion either:

- Include all of rent or mortgage, taxes and insurance as sheltercosts;
  OR

- Exclude part of the rent or mortgage interest, taxes and insurance as a cost of producing the self-employment income. (Payments on the principal balance of a loan are not deductible as a cost of producing self-employment income.) The portion of the shelter to be excluded as costs of producing self-employment income may be based on the percentage of the total living space used solely for the self-employment enterprise. Any portion of a rent payment or mortgage, taxes or insurance payment used as a cost of producing self-employment income may be used as a shelter cost.

EXAMPLE: A member of a household is self-employed as a beautician. The household is renting a home for $600 each month. The den has been converted into a beauty shop. The home has 1200 square feet. The square footage of the den (200 square feet) is about 16.6% of the square footage of the entire house. The portion of the rent payment that may be used as a cost of producing self-employment income is $99.60. The remainder of the rent payment, $501.40 may be allowed as a shelter cost.

5663.2 Utilities as a Cost of Producing Income

SNAP Manual 01/01/00

If a self-employed individual's house is on property connected to the property used for the business, the county office worker must determine if the self-employment costs can be separately identified from the household's shelter costs.

- If the utilities for the business are measured and billed separately, the utility costs for the business will be allowed as a cost of producing the self-employment income. The utilities for the residence will be allowed as a shelter cost. If the household is otherwise entitled to use the utility standard, the household may elect to do so.
- If the utility costs for the business cannot be separately identified from the utility costs for the residence, the utility costs may not be allowed as a cost of producing the self-employment income. The household will not be allowed to use actual utility costs in the SNAP budget. However, if the household is otherwise entitled to use the utility standard, the utility standard will be used in the SNAP budget.

If part of a self-employed individual's residence is used for the business, the county office worker must determine if the self-employment costs can be separately identified from the household's shelter costs.

- If the utilities for the business are measured and billed separately, the utility costs for the business will be allowed as a cost of producing the self-employment income. The

utilities for the remainder of the residence will be allowed as a shelter cost. If the household is otherwise entitled to use the utility standard, the household may elect to do so.

- If the utilities are not measured and billed separately, the householdmay:
    1. Allow all utility costs as a cost of producing the self-employment income;or
    2. Allow all utility costs as a shelter cost; or 3) allow the household to prorate the utility costs between the cost of producing the self-employment income and the shelter cost.

5664 Calculating Net Self-employment Income

SNAP Manual 01/01/00

To calculate net self-employment income using a form DCO-226 or DCO-227:

- Total the gross receipts from the business during the selectedperiod.
- Exclude the cost of producing the income.
- If the selected period is one year, annualize the net income by dividing the net income by 12. If the selected period is less than one year, average the net income by dividing the net income by the number of months in the selected period.

If there is a profit, the net self-employment income will be used to determine the household's gross SNAP income. Losses will not be deductible unless the self-employment enterprise is a farming operation. See SNAP 5670 for a definition of a farming enterprise and an explanation of deducting losses.

5664.1 Separate Enterprises

SNAP Manual 01/01/00

When self-employment is derived from two or more separate enterprises with no farm operation involved, the gross income and allowable costs from each business will be combined to calculate the net self-employment income.

When one of the enterprises is a farm, the county office worker must complete the following steps:

1. Determine the gross income from the farm operation.
2. Determine the allowable costs of producing the farm income.
3. Exclude the allowable costs from the gross income.

If there is no loss in the farm operation, the farm income and allowable costs will be combined with the income and allowable costs of the other business. If there is a loss, the income and allowable costs of the farm operation will not be combined with the income and costs from the other business. Instead the loss will be deducted as instructed in SNAP 5670.

5664.2 Partnerships

SNAP Manual 01/01/00

When a household member is involved in a self-employment operation with one or more partners, the household's share of the income from the business will be calculated by:

1. Determining the gross income for the business;
2. Excluding the allowable costs of doing business; and
3. Dividing the net income by the number of partners unless the profits of the partnership are prorated rather than divided equally. If the profits are prorated, the net income will be prorated in the same manner.

5670 Farm Loss Deduction

SNAP Manual 06/01/01

A farming operation is a business enterprise engaged in the production of agricultural products. Farming operations may involve cotton, soy beans, rice, other grains, stock, dairy, poultry, fish, fruit, beeswax, vegetables, ranching, tree farms, and nurseries among others.

Losses incurred in farming operations are deductible from any other household income if:

- The farmer's cost of producing the farm income exceeded the gross income from the farming operation; and
- The farmer received or expects to receive annual gross proceeds of $1,000 or morefrom the farming operation.

Only allowable costs of producing self-employment income will be excluded to determine if a loss was incurred by a farm operation.

When a farm operation shows a loss, the county office worker will:

1. Determine the monthly amount of the loss by excluding the allowable costs of producing the income. If the costs of producing the income exceed the income, divide the remaining costs of producing the income by 12 or by the number of months in the selected period. The resulting figure is the monthly farm loss.

2. Use the monthly farm loss to offset any other non-farm related self-employment income by subtracting the net self-employment income from the monthly farm loss. If any self-employment income remains after the offset, the remaining self-employment income will be counted in the SNAP budget. No further offset will occur. Go to number 5. If the farm loss deduction is greater than the non-farm related self-employment income or there is no other self-employment income in the household, go to number 3.
3. Add together gross earned income and gross unearned income.
4. Subtract the farm loss from all other householdincome.
5. For households with no age 60 or older or individual with disability members, apply the gross income eligibility pretest. (The pretest does not apply to households with an age60 or older or individual with disability member.)
6. If the household is eligible after the pretest, calculate the remainder of the SNAP budget.

5680 Reported Changes in Self-employment Income

SNAP Manual 10/01/03

Households currently participating in the Supplemental Nutrition Assistance Program may report changes in self-employment income. The worker must determine if these changes will be reflected in the anticipated income. Self-employment income will not be recalculated to reflect seasonal fluctuations in income.

EXAMPLE: Mrs. M. has a landscape business. On her semi-annual report submitted in April, she reports she was not able to work much in March due to bad weather. This is a seasonal fluctuation in income, and the self-employment income will not be adjusted. Other types of reported changes must be reflected in the self-employment income.

Other types of reported changes must be reflected in the self-employment income.

EXAMPLE: Mr. J owned 500 acres of land. He raised cattle, wheat, and fresh produce on this land. In July he reports to the worker that he filed for bankruptcy. The bank repossessed his land, and his cattle were sold to pay off his debts. He has moved to town and gone to work at a factory. The worker must remove the self-employment income from the SNAP budget and add Mr. J's earnings to the budget.

5690 Verification/Documentation

SNAP Manual 01/01/00

Generally, self-employment income may be verified by viewing the household's federal income tax return for the previous year. The household's income tax return may be used as verification if the return reflects a full year's income or the income can be divided over the months the business has been in existence. The "Schedule C" attached to the return should contain a complete statement of the household's self-employment income and expenses. (Not all expenses listed will be excludable under SNAP policy.) If a tax return is not available, ledgers, bank books or other accounting records maintained by the household or prepared by a bookkeeper or accountant may be used. Receipts for the sale of goods and services and receipts for allowable costs of producing the income may also be accepted.

If the household states there are no records, the DCO-226 or DCO-227 will be completed based upon the household's declared income and expenses. This method may only be used temporarily. The household must be instructed to furnish records of income and receipts to verify costs at the next scheduled recertification. Required documentation includes:

1. Type of self-employment enterprise;
2. How the household receives this income - e.g. monthly, annually;
3. The length of time the enterprise has been in existence;
4. The figures used to arrive at the net self-employment income (DCO-226 or DCO-227) and the figures used to determine the monthly income;
5. The figures used to calculate any farm loss; and
6. The verification obtained.

5691 Certification Periods and Recalculating Annual Income

SNAP Manual 10/01/03

The household's annual income must be recalculated at about the same time each year. Normally, this will be soon after the first of the year when all the information needed to determine the household's self-employment income for the year is available. To simplify the process of determining self-employment income, the household may be assigned one or two four-month certification period so that the household's certification period will end about the time the household's annual self-employment income is due to be recalculated. Once the annual self-employment income has been recalculated, the household will be assigned a 12-month certification period and will become subject to semi-annual reporting.

5700 Unearned Income

SNAP Manual 01/01/03

Unearned income is income received by a household that has not been earned through employment or self-employment. Households in receipt of only unearned income will not receive the earned income deduction.

Common sources of unearned income are listed below in alphabetical order:

- Allotments
- Child Support/Alimony Payments
- Contributions
- Diverted Payments
- Foster Care Payments
- Installment Contracts
- Interest, Dividends, Royalties
- Pensions
- Reimbursements for Normal
- Living Expenses
- Rental Income
- Severance Pay Received in Installments
- Sick Pay
- Social Security Benefits (SSA)
- Strike Benefits
- Supplemental Security Income (SSI)
- Unemployment Insurance Benefits (UI)
- Utility Assistance from HUD or Housing Authority
- Veteran's Assistance (VA)
- Workman's Compensation

5701 Transitional Employment Assistance (TEA)

SNAP Manual 01/01/00

TEA (Transitional Employment Assistance) Program cash assistance payments are counted as unearned income. TEA cash assistance is paid on a monthly basis and is based on a standard of need for a particular household size.

SNAP benefits will not be increased when a household member's TEA benefits are reduced, suspended or terminated due to non-compliance with the program requirements, or for non-cooperation with the Office of Child Support Enforcement or for an intentional program violation. See SNAP 12110 for instructions.

5701.1 Diversion Assistance

SNAP Manual 09/01/00

Diversion Assistance is a one-time payment to or on behalf of the family that will resolve a financial problem so that the adult can maintain and/or obtain employment. Diversion Assistance is available to an adult only once during his or her lifetime.

TEA Diversion Assistance payments will be excluded as a nonrecurring lump sum payment. See SNAP 4950 for instructions on handling lump sum payments.

5701.2 Employment Bonus

SNAP Manual 09/01/00

An Employment Bonus cash payment will be made to any family who becomes ineligible for TEA cash assistance due to employment or who requests the TEA case be closed due to employment, unless the family has already received an Employment Bonus within the preceding twelve months. The amount of the bonus payment will be equal to the amount of the last regular TEA cash payment.

TEA Employment Bonuses payments will be counted as unearned income in the SNAP budget in the month received.

5701.3 Extended Support Transportation Payments

SNAP Manual 06/01/05

When a TEA case closes due to employment, the family is automatically eligible to receive two months of Extended Support Transportation payments in the amount of $200 each month. These payments are intended to help the family meet transportation costs in the first two months following termination of TEA cash assistance.

Extended Support Transportation benefit payments will be excluded as a reimbursement for a job-related expense to the extent that these payments do not exceed actual job-related expenses for transportation costs.

EXAMPLE: A household member receives an Extended Support Transportation payment in the amount of $200. The member's transportation expenses total $150. $50 will be shown as unearned income in the SNAP budget.

Transportation costs may include the expenses of purchasing, repairing or maintaining a car. Transportation costs may also include payments made for public or private transportation to the employment site. Transportation costs will be verified to the extent that it is practical to do so. For example, a household may be able to verify the costs of repairing a car or purchasing tires. However, they may not be able to furnish receipts for gas. In the case, the county office worker may use the current State reimbursement rate per mile times the round trip mileage to the work site to determine the cost of transportation to work.

5702 Allotments

SNAP Manual 01/01/00

Allotments are monthly payments received by a dependent of a member of the armed forces (e.g. Army, Air Force, Marines). Allotments are deducted from the military pay and sent directly to the dependent on a monthly basis. Allotments are considered unearned income.

5703 Annuities/Annual Lottery Payments

SNAP Manual 01/01/00

Annuities are counted as unearned income. Lottery winnings received on a one-time basis are considered a resource in the month received. Lottery winnings paid over several years are counted as unearned income.

Annuities and lottery winnings paid annually will be averaged over a 12-month period of time. Annuities and lottery winnings received less often than annually may either be counted in the month received or averaged over the certification period.

5704 Child Support/Alimony Payments

SNAP Manual 01/01/00

Alimony payments made directly to the household from someone outside the household are counted as unearned income.

Child support payments made directly to a household member from someone outside the household are unearned income. This includes payments made voluntarily by the absent parent, as well as payments ordered by a court. When child support payments are directed through a court, the entire gross amount collected is as unearned income. Collection fees, postage expenses or other fees charged by the court are neither deducted nor excluded from the child support payment.

When child support is received sporadically by individuals not receiving TEA, the worker must try to establish some pattern of payment. If a pattern of payment can be established, the payment will be averaged forward over the period of intended use. For example, if a $100 child support payment is received every other month, $50 per month will be counted as income.

When the payments are so sporadic that receipt cannot be reasonably anticipated, no child support will be included in the SNAP budget. Households receiving sporadic child support payments must be carefully instructed to report the receipt of child support payments in a

timely manner. If the worker can later establish a pattern of payment, the child support income will be added to the SNAP budget.

Child support received as the result of the interception of a state or federal income tax refund is a lump sum payment. Lump sum payments are excluded as income. See SNAP 4950 for instructions.

Legally obligated child support payments from a household member to someone who is not a household member are deductible. See SNAP 6550 for instructions.

5704.1 OCSE Payments to TEA Recipients

SNAP Manual 06/01/05

Under Title IV-D, the state is assigned the rights to all child support payments received by the recipients of TEA Cash Assistance. Through the Office of Child Support Enforcement (OCSE), the state seeks child support payments on the behalf of TEA Cash Assistance recipients. Any child support remaining after deduction of the TEA payment is refunded to the TEA recipient. OCSE refunds to the TEA recipient. These refunds are automatically calculated into the client's SNAP budget as long as the client receives TEA Cash Assistance. A budget sheet is issued to the DHS county office and a notice is issued to the household. The DHS county office worker does not have to take any action to change the household's budget to remove the refund. If the total child support collected, alone or with other countable income, exceeds the TEA income eligibility standard of $223, the TEA case will close. If the TEA case closes, the DHS county office worker must change the household's budget to include the gross child support payment as income in the SNAP budget.

5704.2 OCSE Payments to Medicaid Recipients

SNAP Manual 01/01/00

Child support received directly from the absent parent on behalf of Medicaid recipients may be sent by the household to OCSE. OCSE later returns the child support payments to the household. These payments will not be counted as income until they are returned to the household by OCSE.

5704.3 OCSE Payments to Individuals Not Receiving TEA/Medicaid

SNAP Manual 01/01/00

OCSE provides services to individuals who are not receiving TEA. Child support payments collected for children not included in a TEA case are considered unearned income. OCSE charges

households not receiving benefits a collection fee; however, this fee can be neither deducted nor excluded. The entire gross amount collected and disbursed to the household will be counted in the SNAP budget.

EXCEPTION: Non-recurring lump sum payments issued to make up for 1) a missed payment already counted in the SNAP budget or 2) payments held in error by OCSE will be handled as a lump sum payment in the month of receipt. See SNAP 4950.

EXAMPLE: A household normally receives $100 per month child support through OCSE. This amount has been included in the SNAP budget for the certification period June through November. On December 15, the household submits another SNAP application. Child Support of $300 is declared on the application. At the interview, the household states that the $300 child support payment was received on December 10th. However, $200 of that amount was to make up for the months of October and November when no payments were received. Since $200 of the $300 payment has already been counted in the SNAP budget, only $100 will be shown as income in the budget for December. $100 will be anticipated as child support income in the prospective budget.

At times, OCSE withholds support received by individuals no longer receiving TEA in order to reimburse previous TEA or AFDC payments. Such individuals are considered to have an "AFDC or TEA arrearage." Any child support monies, whether intended for the current month or a month prior to the current month, will be excluded as income when applied to an AFDC or TEA arrearage. See SNAP 5401.

At other times, an absent parent pays child support in excess of the court-ordered amount to make up for previously missed payments. If these payments need not be applied to an AFDC or TEA arrearage, OCSE will send the extra money to the household. Any such payments not already counted in the household's SNAP budget, will be counted as income in the month received. When it is anticipated that the absent parent will continue to make support payments in excess of the court-ordered amount due to the number of missed payments, the extra money will continue to be counted in the SNAP budget. A variable budget will be prepared as instructed in SNAP 7523.3 if the household's child support payments are anticipated to decrease.

When OCSE receives more than the court-ordered amount of child support and there is no arrearage, only the court-ordered amount will be disbursed. The balance of the money will be held by OCSE in an "advance account" and used to pay the court-ordered support amount when the absent parent is unable to pay due to lack of work or other circumstances. Only the amount

actually disbursed to the household by OCSE plus the collection fee will be counted in the SNAP budget.

5704.4 Anticipating Child Support Income

SNAP Manual 01/01/00

In the 7000 Section of the *SNAP Certification Manual* a variety of methods of anticipating income are explained. The worker may chose from SNAP 7000 the most appropriate method of anticipating child support income based on the household's current situation.

EXAMPLE 1: A household receives child support payments in the same amount each week or every other week. You may anticipate monthly income by multiplying the payment amount by 4.334 or 2.167 as appropriate. See SNAP 7513.

EXAMPLE 2: A household normally receives child support every month but the monthly amount fluctuates. You may average several months' income. See SNAP 7521.

EXAMPLE 3: A household receives child support payments sporadically (every other month or every quarter) but a pattern of payment can be established. You may average the child support payment over the period of intended use. See SNAP 7520.

If the household is expecting changes in the amount of child support or the frequency of payment, these changes must be anticipated when the prospective budget is prepared. See SNAP 7512 for instructions. In the event that a change is anticipated, a variable budget may be required. See SNAP 7523.3 for instructions on preparing variable budgets.

The county office worker must be alert not to verify and handle child support payments from different sources as one source of income.

EXAMPLE: There are two children in the home. Each child has a different father. Each father pays child support. Each child support payment must be handled as a separate source of income.

In some instances, child support received by the household will not be included in the budget.

General guidelines for excluding child support income:

- **DO NOT COUNT** child support received by the TEA recipients which are obligated to be turned over to OCSE to maintain TEA eligibility even when such payments are kept by the household in violation of the law. SNAP 5401

- **DO NOT COUNT** payments received by former AFDC and/or TEA recipients when the payments are held by OCSE and applied to AFDC and/or TEA arrearages. SNAP 5401

NOTE: Any of these payments not to be applied by OCSE to an AFDC/TEA arrearage will be sent to the custodial parent. Unless these funds have already been counted as income in the SNAP budget, they must be counted as income in the month of receipt. SNAP 5704.3

- **DO NOT COUNT** non-recurring lump sum child support payments received through an interception of a state or federal income tax refund or a lump sum Worker's Compensation payment. SNAP 5401
- **DO NOT COUNT** non-recurring lump sum child support payments issued by OCSE to make up for a payment missed in error by OCSE and already counted in the SNAP budget. SNAP 5704.3
- **DO NOT COUNT** the value of voluntary in-kind payments intended as child support. For example, if the absent parent furnishes food, milk, pampers, clothes, etc. in the absence of a cash payment to the custodial parent, you would NOT count the value of the items as income. SNAP 5406

General guidelines for counting child support income:

- **DO COUNT** monies diverted from the court-ordered support or alimony payments to a third party for a household expense SO LONG AS there is no court order or other legally binding document requiring direct payment to a third party. If such an agreement exists, the monies will be excluded as income. Any part of a household expense covered by excluded income is not allowable in the SNAP budget. SNAP 5704 & SNAP 6700
- **DO COUNT** the gross amount of the child support payment. Collection fees charged by OCSE are neither deductible nor excludible. SNAP 5704.3
- **DO COUNT IN THE MONTH OF RECEIPT** money held by OCSE in an "advance account" and used to pay the court-ordered amount when the absent parent is unable to work. SNAP 5704.3

5704.5 Verifying Child Support Paid Through OCSE

SNAP Manual 06/01/05

Child support received through the Office of Child Support Enforcement (OCSE) will be verified through the DCO-OCSE Inquiry Interface. The following link: http://dhs.arkansas.gov/dhscs/ opens Office of Child Support Enforcement's web-based inquiry interface. Authorized DCO staff may utilize this interface to inquire OCSE child support collections and distributions where

necessary to determine eligibility for DCO programs. Instructions for accessing and using this inquiry interface may be found in the OCSE Interface Appendix. (Appendix O.)

NOTE: Due to IRS confidentiality rules, OCSE is no longer allowed to divulge information that could identify IRS refunds. Therefore, all information has been removed from the "Source" field. Neither will the local OCSE office verify for DHS case managers that the source of a payment is an IRS refund. However, they will provide this information to the individual who received the payment.

5704.6 Verification of Child Support Not Paid Through OCSE

SNAP Manual 01/01/00

To verify child support not paid through OCSE, the county office worker may accept:

- Check stubs or other documentation from a court or other agency that collectsand disburses the child support payment.
- A signed, dated statement from the individual who pays the child support. If possible, the statement should contain the individual's name, address and telephone number.
- Other documentary evidence of the amount of the payment.

If the absent parent refuses to verify the child support payments and other documentary evidence is not available, the worker may accept collateral statements. In the event that collateral statements are not available, the worker may accept the household's statements about the amount of the payment.

Any discrepancies between information reported by the household and the information verified by the worker must be resolved. For example, a household has not reported child support income, but the worker has information indicating child support is being received. The household will be allowed to provide additional information if necessary to prove its statements.

5704.7 Documentation of Child Support Income

SNAP Manual 01/01/00

Each source of child support income should be clearly documented to show:

- The name of the individual who makes the child support payment;
- The name of the child for which the child support is received;
- The date and amount of each child support payment used in the calculation of the monthly income;

- The frequency of receipt of child support (e.g., weekly, bi-weekly, monthly, etc.); and
- An explanation of how the gross monthly child support income was calculated.

5705 Contributions

SNAP Manual 01/01/00

Contributions are recurring payments received by a household member from a friend, relative or organization. Loans, gifts, lump sum payments, and irregular or infrequent income will not be considered contributions.

Cash donations, based on need, that are received from one or more private, non-profit charitable organization are excluded as income to the extent that such donations do not exceed $300 in a Federal fiscal year quarter. (See SNAP 5405, number 10.) The Federal fiscal year quarters are listed below.

- First Quarter - October, November, December
- Second Quarter - January, February, March
- Third Quarter - April, May, June
- Fourth Quarter - July, August, September

Those donations that exceed $300 in any Federal fiscal year quarter will be considered unearned income.

EXAMPLE: A household received $100 donations in July from a church. In August, the same church gave the household another $100 donation. In September the ministerial alliance gave the household $250. The donations received in July and August would be excluded as income. $100 of the September donation would also be excluded. For September, the household would have $150 in countable unearned income from charitable donations.

Contributions will be considered income in the month received when received on a monthly basis. When received less often than monthly, contributions will be averaged forward over the period of intended use.

5706 Diverted Payments

SNAP Manual 01/01/00

Monies legally obligated and payable to the household will be counted as income when diverted by the payor to a third party for a household expense.

EXAMPLE 1: Public assistance grants (TEA cash assistance or SSI) diverted to a protective payee for the purpose of managing the household's expenses.

EXAMPLE 2: Monies diverted from court-ordered support or alimony payments to a third party for a household expense - e.g. the rent payment is made from the support payment by the court. (This applies only when there is not a court order or other legally binding agreement which requires direct payment to a third party.)

EXAMPLE 3: Monies diverted from funds owed to the household to pay a third party for a household expense - e.g. VA deposits the Veteran's check in a special account and the bank authorized payments for household expenses.

Some states have a General Assistance (GA) Program. (Arkansas does not have a GA Program.) In those states, some GA vendor payments are provided for living expenses. Only those GA vendor payments provided to cover housing expenses, exclusive of energy or assistance expenses, will be included as income. GA vendor payments provided for the purpose of energy assistance will be excluded as income. (Also see SNAP 5405, item 4.)

5708 Foster Care Payments/Guardianship Payments

SNAP Manual 01/01/00

This policy applies only to those households into which foster care placements have been made by a Federal, State or local governmental foster care program - e.g., Division of Children and Family Services or Mental Health Services (Children "taken in" by neighbors, friends or relatives without any type of formal placement are not considered foster children for the purpose of applying this policy. They will be included as household members if otherwise eligible.) Households which provide foster care will have two options.

OPTION 1: The household may elect to consider the person in foster care as a boarder. If the person in care is considered to be a boarder, the foster care payment will be excluded as income to the household.

OPTION 2: The household may elect to include the person in foster care as a household member. If the person in care is included as a household member, the foster care payment will be included as income to the household.

Guardianship payments are payments made to a person who becomes a child's legal guardian. There are two types of guardianship payments – Kinship Care and subsidized guardianships.

Guardianship payments are treated the same as foster care payments with the same two options.

5709 Gifts/Cash Prizes

SNAP Manual 01/01/00

A monetary gift or prize on a one-time basis will not be considered income to the household. A monetary gift received for a birthday present or a Christmas present is an example of a one-time gift.

Gifts received on a one-time basis will be considered a lump sum payment and handled as instructed in SNAP 4950.

If a household member receives a recurring gift or prize which exceeds $30 per quarter, the gift or prize will be counted in the household's budget as unearned income. Recurring gifts or prizes in excess of $30 per calendar quarter may either be averaged forward over the period of intended use or counted as income in the month received.

5710 Installment Contracts

SNAP Manual 01/01/00

Income resulting from an owner-financed sale of property is counted as unearned income; no earned income deduction will be allowed. However, the installment contract will be handled in the same way as self-employment income is handled.

The following items will be allowed as costs of doing business.

1. Costs incurred by the holder of the installment contract for real estate taxes and/or insurance on the financed property.
2. Costs incurred by the holder of the installment contract for interest payments on a pre-existing mortgage on the financed property - (e.g. - a man sells a house upon which he is still making payments).
3. On a one-time basis, as-incurred, broker's fees paid by the holder of the installment contract. (For example, if a property is sold on June 11, and the household reports this sale on June 18, the broker's fees may be excluded from the July payment.)

EXAMPLE 1: Mr. Green owns 20 acres of land which he purchased in 1980. His payments on the land are $150 per month which includes $60 per month interest and a $30 escrow payment. The escrow account is used to pay real estate taxes of $200 and annual insurance payments of $100.

5700 Unearned Income

5710 Installment Contracts

In 1996, Mr. Green sold this land to Mr. Redd. Mr. Redd paid Mr. Green $1,000 down and agreed to pay $175 per month for 240 months. Mr. Green will continue to pay the bank $150 per month on the original mortgage. Since the taxes and insurance are included in this payment, Mr. Green will continue to incur these costs until the original mortgage is paid. Mr. Redd agreed to pay all brokerage fees.

The $1,000 down payment will be excluded as income since it is considered a lump sum payment. The full $175 payment (less exclusions for the allowable costs of doing business) will be counted as unearned income. The allowable costs of doing business are the costs of taxes and insurance incurred by Mr. Green and the interest Mr. Green pays on the original mortgage.

Taxes	$200
Insurance	$100
	$300

Yearly Costs - 12 months = $25 permonth

Monthly Interest Payments Made by Mr. Green	$60 per month
Monthly Costs of Taxes and Insurance	+ $25 per month
Total Excludable Costs Per Month	$85

Monthly Payments Received by Mr. Green	$175
Total Monthly Costs of Doing Business	- $85
Portion of Payment to be Counted in Budget	$90

EXAMPLE 2: Mr. Long also sold 20 acres of land to Mr. Redd. He will also receive $1,000 down and $175 per month for 240 months.

There are no mortgages on the property Mr. Long sold. Mr. Redd pays all taxes and insurance costs on the property and paid all brokerage fees at the time of the sale.

The entire $175 monthly payment will be counted as income in Mr. Long's SNAP budget.

5711 Interest, Dividends, Royalties

SNAP Manual 01/01/00

The following are examples of interest, dividend, or royalty payments that are considered unearned income:

1. Interest

   Interest payments received by any household member for money held in any type of account – checking, savings, certificate of deposit, etc. Interest is considered unearned income even is not paid directly to the household but added to the account balance.

   An interest payment will be counted as unearned income in the month received, or prorated over the period of time the payment is intended to cover, whether received on a quarterly or annual basis. The household selects the method to be used.

EXAMPLE: On 11/10 a household member received a quarterly interest payment in the amount of $15.00 from his savings account. He may choose to either consider the entire $15.00 as income for the month of November or may have it prorated over the three-month period of November, December, and January.

2. Dividends

   Dividends are payments received from investment such as, but not limited to stocks, bonds, insurance, etc. owned by the household. Dividends may be received on a monthly, quarterly or annual basis. Dividends are counted as unearned income either in the month received or are prorated over the period of time the payment was intended to cover.

3. Royalties

   Royalties are:

   a. payments received as profits from the sale of a product,
   b. payments from oil or gas leases, or
   c. payments made from the sale of items under a patent.

   Royalties may be issued on a monthly, quarterly, or annual basis. Royalties will either be counted as income in the month of receipt or prorated over the period of time the payment is intended to cover.

5712 Pensions

SNAP Manual 01/01/00

A pension is a fixed sum paid regularly under certain conditions to an individual or to that individual's surviving dependent following years of military service or employment.

The following households contain members who may receive pensions:

1. Households with age 60 or older or individual with disabillity members with a prior military service or members who are individual with disability or under age 18 and who are a surviving dependent of a person with prior military service;
2. Households with members retired (by age 60 or older or individual with disability) from a private firm like a factory or a utility company;
3. Households with members who retired from Federal or State employment by reasons of age 60 or older or individual with disability and their surviving dependents if the dependents are age 60 or older, individual with disability or minor children; or
4. Households with members retired from a school, college, or university due to age 60 or older or individual with disability.

When a portion of a pension is awarded to an ex-spouse by the court in a divorce or legal separation settlement, the portion diverted to the ex-spouse is excluded as income as long as the payment goes directly to the ex-spouse.

EXAMPLE: Mr. G. is in receipt of civil service retirement benefits. The court awarded 49 percent of his retirement to his ex-wife. Mr. G. receives only the 51 percent that the court allocated to him. He receives an annual statement that indicates his total benefit and the wife's portion of the total amount. Only the portion of the retirement benefits Mr. G. actually receives will be counted in his SNAP budget.

5713 Railroad Retirement

SNAP Manual 01/01/00

Railroad Retirement benefits are paid to individuals and spouses covered under the Railroad Retirement Act. An individual may receive both Railroad Retirement and Social Security, if covered under both programs. The spouse of a Railroad Retirement beneficiary may receive a spouse's pension while receiving Social Security under his or her own record. Railroad Retirement benefits are counted as unearned income.

See the Unearned Income Appendix for additional information.

5714 Reimbursement for Normal Living Expenses

SNAP Manual 01/01/00

If a household is reimbursed for normal household expenses such as rent, mortgage, personal items or food that is eaten at home, the reimbursement is considered to be a gain or benefit and is counted as unearned income. (For situations which reimbursements are excluded, see SNAP 5411.)

If the reimbursement is provided by an employer and considered compensation for actual work performance, the income will be counted as earned income.

5715 Rental Income

SNAP Manual 01/01/00

NOTE: This section does not deal with income from boarders. See SNAP 5620 for instructions on handling income from boarders.

Rental income is money received as the result of the rent or lease of property owned by a household member or members. The amount of the rental income to be shown in the SNAP budget will be the gross amount of rental income received less the "costs of doing business". Costs of doing business include real estate taxes on the property, insurance premiums paid for insurance to cover the property, and interest paid on a loan on the rental property.

If the costs of doing business cannot be distinguished from a household's shelter costs, then these costs will not be allowed. For example, a household owns a house with a garage apartment. The garage apartment is rented for $200 per month. The household makes one payment on the property. The taxes and insurance are included in the payment. The household states there is no way to identify the portion of taxes, insurance or interest paid on the garage apartment; therefore, the county office worker allows the entire property payment as a shelter cost. The entire $200 payment received for rent on the garage apartment is shown as income.

If a household member is engaged in the management of the property at least 20 hours per week, rental income is considered earned income. Otherwise, the rental income is considered unearned income. If rental income is considered earned income, the earned income deduction explained in SNAP 6200 will be applied to the net rental income.

Land rent is income received on an annual basis for the rental of property used in an agricultural endeavor. Since an agreement must be reached regarding the amount of land rent to be

received, land rent is considered to be contractual income and will be annualized as instructed in SNAP 7519.

In some situations, an individual will live in a house owned by someone else and will make the payments on that house in lieu of a rental payment. In situations like this, the house payment will be considered rental income to the owner. All allowable costs of doing business will be excluded from the gross amount of the house payment before it is added to the owner's SNAP budget.

5716 Severance Pay Received in Installments

SNAP Manual 01/01/00

Severance pay is an allowance or income payable to an employee upon termination of employment. Severance pay is usually based upon length of service.

Severance payments designated to be paid in monthly installments are considered unearned income in the month(s) received. If, however, a terminated employee receives a lump sum severance payment, the severance must be counted as a resource. (Refer to SNAP 4950 for handling lump sum severance payments counted as a resource.)

5717 Sick Pay

SNAP Manual 01/01/00

Sick pay not paid directly by the employer but paid through an insurance company will be counted as unearned income. See SNAP 5508 for additional information.

5718 Social Security Benefits (SSA)

SNAP Manual 01/01/00

Social Security Benefits are monthly checks paid to retired or individual with disability based upon contributions the individual made while employed. Social Security Benefits are also payable to the individual's spouse and/or children in particular instances. (Social Security benefits are rounded down to the nearest dollar by SSA prior to payment.) Social Security benefits are counted as unearned income.

A full description of the criteria for receipt of SSA may be found in the Unearned Income Appendix.

5719 Strike Benefits

SNAP Manual 01/01/00

Strike benefits are payments by a labor union to a member as a result of a strike. See SNAP 1730.

5720 Supplemental Security Income (SSI)

SNAP Manual 01/01/00

SSI is a federally administered cash assistance program for age 60 or older, blind or individual with disability with little or no income or resources. SSI is paid on a monthly basis. SSI payments are counted as unearned income.

A full description of the SSI program may be found in the Unearned Income Appendix.

Under a PASS (Plans for Achieving Self-Support) any blind or disabled SSI claimant or recipient may set aside income for a work goal such as education, vocational training, work-related equipment or starting a business. Monies set aside under a PASS are excluded as income and as a resource in the Supplemental Nutrition Assistance Program.

See SNAP 4450, item 12, for the resource exclusion provisions.

See SNAP 5405, item 18, for the income exclusion provisions.

SNAP benefits will not be increased when a household's SSI benefits are reduced, terminated or suspended due to an intentional failure to comply with SSI Program rules. See SNAP 12110.

5721 Unemployment Insurance (UI) Benefits

SNAP Manual 01/01/00

Unemployment insurance is defined as compensation to an unemployed worker in the form of a sum of money paid at regular intervals by a union, employer, or government agency. UI benefits are counted as unearned income. For a full explanation of Unemployment Compensation benefits, see the Unearned Income Appendix.

5723 Veteran's Administration Benefits (VA)

SNAP Manual 01/01/03

VA benefits are monthly checks issued to certain individuals who served in a branch of the United States Armed Services. VA checks are also issued to a veteran's dependents under certain conditions. VA benefits are counted as unearned income.

For VA disability pensions, a monthly check and an annual "adjustment" check is sent. At the end of the year (October for most disabilities), the VA sends out a letter asking the household to verify the past year's income and out of pocket medical and educational expenses for the veteran and his/her spouse. The VA will either establish a claim for any over issuance or make retroactive income payment(s). Monthly amounts in the coming year may also be adjusted. If the household receives an income adjustment lump-sum payment, the payment will be excluded as income. Since this is considered a retroactive income adjustment and not a reimbursement for medical expenses, out-of-pocket expenses may be deducted by the household if the member who incurred the expense is age 60 or older or individual with disability.

Some veterans receive an aid and attendance payment. These payments, which are intended to be used by the veteran to pay the cost of a nurse or attendant, are counted as income in the SNAP budget. If the veteran does use the funds to pay for nursing care or an attendant, these costs will be deducted as a medical expense. See SNAP 6500.

Educational benefits paid under the Montgomery GI Bill to students enrolled in an institution of post-secondary education are excluded as income. See SNAP 1622.3.

5724 Worker's Compensation Benefits

SNAP Manual 01/01/00

Worker's compensation payments are insurance payments made as a result of injury or death on a work site. Such payments may be received by the injured individual on a bi-weekly basis or as a lump sum payment. When a death occurs, a lump sum payment will be made to the individual's survivors. (Lump sum payments are considered a resource – see SNAP 4950.) Worker's Compensation payments received on a bi-weekly basis are counted as unearned income.

Not all work sites are covered by Worker's Compensation. However, whenever a household claims a job-related injury, or death, the possible receipt of Worker's Compensation Benefits

must be explored with the household. See the Unearned Income Appendix for additional information.

5725 Verification

SNAP Manual 01/01/00

Unearned income must be verified at initial application. At recertification, income must be verified if the source of the income has changed or the amount has changed by more than $25.00. Unearned income reported to be unchanged or changed by less than $25.00 must be verified only when information regarding this income is considered incomplete, inaccurate, inconsistent or outdated.

Acceptable verification of unearned income is listed below in order of preference.

1. Award letters or notices when the current income is indicated on the letter ornotice.
2. Correspondence from the source of the income when the correspondence indicates the current income amount.
3. A properly completed DCO-70, Check Verification Form.
4. Viewing the check. (When making copies of checks, ensure that the signature on the check is properly masked.)
5. Collateral contact with the source of the income.
6. Collateral contact with someone other than the source of the income who can verify the amount.

5726 Specific Verification for Some Unearned Income

SNAP Manual 01/01/00

TEA Cash Assistance
Use the WADC screen, case record, or the current payroll. All are available in the county office.

Foster Care Payments
Verification may be obtained through letters or notices from the agency providing the payment. If no letters or notices or available, verification may be obtained through direct contact with the Agency.

SSA/SSI
SSA and/or SSI income may be verified through SSA Query Screen (WQRY). The household may also present correspondence from Social Security.

Unemployment Compensation (UI)
UI benefits will normally be verified via the WESD screen. If the information does not appear on the screen or the information on the screen appears to be inaccurate, the household will be asked to furnish verification. The local ESD office will not be contacted.

Charitable Donations
The amount of the charitable donation received in each month of the current Federal fiscal quarter must be verified. See SNAP 5705 for a list of the Federal fiscal quarters.

5727 Documentation

SNAP Manual 01/01/00

Document:

1. The name of the person who receives the unearned income;
2. The source of the unearned income; and
3. The verification obtained.

5800 Determining Income/Reference List

SNAP Manual 01/01/03

A reference list is provided to assist the caseworker in locating the section of policy which describes the process for determining countable income.

Process	Reference
Income	SNAP 7100
Special Processes	
Institutions	SNAP 1800
Battered Women	SNAP 1840
Boarders	SNAP 5620
Disqualified Individuals:	
Fleeing Felons	SNAP 1623.2
IPV	SNAP 1623.2
Requirement to Work	SNAP 1623.2
SSN Requirement	SNAP 1623.1
Workfare Sanction	SNAP 1623.3
Work Registration Violation	SNAP 1623.2
Income From Odd Jobs	SNAP 5512.1
Ineligible Alien	SNAP 1621.6
Installment Contracts	SNAP 5710
Rental Income	SNAP 5715
Self-Employment	SNAP 5600
Sponsored Aliens	SNAP 1621.7
Strikers	SNAP 1730
Students:	
Ineligible	SNAP 1622.9
Foster Children	SNAP 5708

6100 Deductions – Summary

SNAP Manual 01/01/2021

When calculating a Supplemental Nutrition Assistance Program (SNAP) budget, a certified eligibility worker must determine which deductions will be used in that budget. There is one (1) deduction that is uniformly used in every budget calculated. This is the standard deduction.

The standard deduction is used in every budget calculated. The amount of the standard deduction is dependent on the household size.

The earned income deduction is applied in every budget when the household contains a member with earnings.

The farm loss deduction is applied only when a household has a member engaged in a farming operation and that operation sustains a loss.

Dependent care deductions apply when there are payments for the care of a child or an incapacitated adult, so that a household member can work or attend training to prepare for work.

Households that include a person aged sixty (60) or older or individuals living with a disability are allowed an excess medical deduction. These eligible individuals with medical costs that exceed thirty-five dollars ($35.00), but less than one-hundred thirty-eight dollars ($138) per month per household, will be assigned the standard medical deduction.

A child support deduction is allowed for legally obligated child support paid by a household member to an individual who is not a household member.

Excess shelter cost deductions are allowed when any household's monthly costs forrent or house payment, real estate taxes, insurance on the home, and utilities exceed fifty percent(50%) of the household's income following all other deductions. There is no limit to the amount of excess shelter cost deductions for households containing a person aged sixty (60) or older or individuals living with a disability. All other households have a limit.

These are the only deductions that can be used when calculating a SNAP budget.

Deductions are applied after the gross income has been calculated. The gross income is calculated by determining the total gross amount of all income after all exclusions.

6100 Deductions -- Summary

Deductions Summary

See SNAP 5400 (explaining income exclusions).

See SNAP 5500-5700 (explaining countable income).

See SNAP 7000 (explaining calculation of gross income prospectively).

Each deduction is discussed in the order that it is applied when calculating a SNAP budget.

6200 The Earned Income Deduction

SNAP Manual 01/01/2021

When calculating a SNAP budget, the earned income deduction is applied first. The earned income deduction is a percentage of the gross earned income and is designed to cover mandatory deductions and work-related expenses. See Appendix D: Current Standards. Gross earned income, including self-employment income after all exclusions, is multiplied by the current percentage to determine the earned income deduction. The resulting figure is the earned income deduction. The earned income deduction will be rounded up or down to the nearest dollar and subtracted from the gross earned income to obtain net earned income.

Households with only unearned income are not entitled to this deduction. It is not applied to any excluded income such as the earnings of a child or irregular income. All earned income is totaled before the earned income deduction is calculated.

When earned income tax credits are paid as part of a household's earned income, the earned income tax credit will be excluded from the gross income before the earned income deduction is allowed.

6210Farm Loss Deduction

SNAP Manual 01/01/2021

The losses from a farming enterprise operated by a household member may be deducted from the household's other countable income. See SNAP 5670.

6300 The Standard Deduction

SNAP Manual 01/01/2021

A standard deduction is applied to all SNAP households. The standard deduction is based on the household size. See Appendix D: Current Standards.

The deduction is a preset amount that is not required to be entered into the system.

6400 The Dependent Care Deduction

SNAP Manual 01/01/2021

Dependent care costs are payments for the actual care of a child or other dependent person, for example, an incapacitated adult. Payments are deductible only when necessary for a household member to:

1. Accept or continue employment;
2. Pursue education preparatory for employment;
3. Comply with the SNAP Employment and Training (E & T) Program requirements;

   OR
4. Seek employment.

The dependent care deduction will include costs such as babysitter or day care fees, or the cost of an attendant for an incapacitated adult. The amount of the deduction will be the total cost of dependent care. There is no maximum deduction amount. Another responsible household member being present in the home will not impact whether the deduction is allowed.

Childcare expenses that are reimbursed or paid by the Division of Child Care and Early Childhood Education (DCCECE), TEA Program, or other similar programs are not deductible. A deduction will be allowed only for the portion of childcare expenses not paid or reimbursed by such a program.

Any reimbursementsmade by the DCCECE, the Transitional Employment Assistance (TEA) Program, or other similar program to the household will not be counted as income. See SNAP 5411.

6410 Documentation and Verification of Dependent Care Costs

SNAP Manual 01/01/2021

If the household does not supply the requested verification of dependent care costs within the specified time frames, the case action, such as application approval or change processing, will not be delayed solely to obtain this verification. The case will be processed without including the declared dependent care costs.

If at the time of application, eligibility is dependent upon the inclusion of dependent care costs, the application may continue to be held for up to sixty (60) days awaiting this verification.

If the verification is later provided, the dependent care costs will be included in the household's budget. This action will be handled as a change and will be processed in accordance with the

timeliness standards in SNAP 11410. The date upon which the verification was supplied will be considered the date the change was report.

6500 Medical Deduction

SNAP Manual 01/01/2021

Allowable medical costs listed in SNAP 6510 incurred by a person aged sixty (60) or older or individuals living with a disability are deductible. See the Glossary definition of "Aged or Disabled." Only allowable medical costs in excess of thirty-five dollars ($35.00) per month are deductible. The thirty-five dollars ($35.00) per month disregard applies to the entire household and not individual members.

Households with an eligible individual may choose to verify actual medical expenses or elect a medical standard deduction when an aged or disabled household member incurs at least thirty-five dollars and one cent ($35.01) per month in allowable medical expenses and provides verification of the expenses. See SNAP 6520. This is a household standard and not an individual standard. One (1) medical standard deduction per household is allowed. The individual will remain eligible at each subsequent case action for the standard medical deduction if he or she attests on the application, to medical expenses that exceed thirty-five dollars ($35.00) per month. An attestation is a verbal statement, written statement, or appropriate response to a question supplied on a form. No further verification is required.

Each household member is evaluated individually for entitlement to the medical deduction. The spouse of a person aged sixty (60) or older or individuals living with a disability are not entitled to a medical deduction unless they are also an eligible individual. The medical expenses of household members receiving benefits as dependents of a Supplemental Security Income (SSI), Social Security, or Veterans Benefits Administration (VBA) recipient are not deductible, unless the dependent is also an eligible individual.

Entitlement to a medical deduction begins either in the month that an individual turns age sixty (60) or in the month that a disabled individual begins receiving a disability payment or Medicaid benefits.

A medical expense incurred for an eligible individual who was a household member immediately before entering a hospital or nursing home is allowable if the household is responsible for the bills. This also applies to medical expenses incurred for an eligible household who was a household member at the time of his or her death. This includes eligible individuals who die while in a hospital or nursing home if they were a household member immediately before entering the hospital or nursing home. Households may be assigned a certification period longer than twelve (12) months if all members are eligible for SNAP and each member is a person aged sixty (60) or older or individuals living with a disability.

6510 Allowable Medical Costs

SNAP Manual 01/01/2021

Each category of allowable medical costs is explained below.

1. Attendants, home health aides, childcare attendants for children living with a disability, or homemakers: These costs are deductible when such services are necessary due to the age, disability, or illness of a person aged sixty (60) or older or individuals living with a disability.
   - In addition to salary costs, an amount equal to the maximum SNAP benefit amount for one (1) person will be deducted if the household provides the attendant (or attendants) with more than fifty percent (50%) of the meals served in the household in a month. For example, two (2) attendants come each day. Therefore, the household is providing a meal to an attendant at each mealtime. The full SNAP allotment for one (1) person will be deducted even though neither attendant takes more than fifty percent (50%) of his or her meals in this home in a month's time.
   - The amount of the meal related deduction is the maximum SNAP benefit amount for one (1) person that is in effect at the time of the household's certification or recertification. If a new basis of issuance (NBI) occurs, the eligibility worker is not required to update this deduction until the next scheduled recertification or annual review.
   - When the costs of an attendant could either be deducted as a dependent care expense or as a medical expense, the costs will be handled as a medical expense. If a mother pays dependent care costs for two (2) or more children, but not all the children are living with a disability, only the portion of the expense paid for the care of the eligible child or children will be allowed as a medical expense.

   When the amount paid for the care of the eligible child or children is not identifiable, the entire expense will be allowed as a dependent care deduction. See SNAP 6400.
2. Corrective Devices: Corrective devices are items such as, but not limited to, the following:
   - Dentures: full or partial;
   - Braces worn on the teeth for orthodontic purposes;
   - Eye glasses and contact lenses prescribed by a physician skilled in eye diseases or by an optometrist;
   - Hearing aids (including batteries for the operation of the hearing aid);
   - Prosthesis;
   - Corrective braces worn on the limbs; and
   - Corrective shoes and orthotics when prescribed by a doctor orother health care professional.

6500 Medical Deduction

6510 Allowable Medical Costs

3. Hospital and nursing home care: This includes costs incurred during confinement or out-patient care in a medical facility such as a hospital, out-patient facility, or nursing home recognized by the State. Such costs include, but are not limited to:
   - Room and boardcharges;
   - Nursing care;
   - Drugs and medical supplies;
   - Therapy;
   - Surgery; and
   - Tests.

   Non-medical charges such as television rental fees are not allowed.
4. Insurance - Death and Hospitalization Policy Premiums: This includes payments for a person aged sixty (60) or older or individuals living with a disability for health and hospitalization policy premiums such as, but not limited to, the following:
   - Medical and hospital insurance;
   - Nursing home insurance;
   - Cancer and intensive care insurances;
   - Health insurance premiums deducted from paychecks;
   - Dental insurance; and
   - Prescription drug insurance including "prescription drug cards" purchased by a household member that pays part of certain prescription costs.

   Some health insurance policies cover household members who are not entitled to a medical deduction as well as those who are. When the portion of the premium paid for a person aged sixty (60) or older or individuals living with a disability cannot be determined, the premium will be prorated among all members included on the policy. The pro rata amount for one (1) member will be multiplied by the number of eligible members. The resulting amount will be considered a medical cost.
5. Medicaid Cost Sharing: These are medical expenses incurred by an eligible individual who is not covered by Medicaid.
6. Medical and Dental Care: This includes a dentist's or a physician's charges for:
   - Office calls;
   - Hospital visits;
   - Nursing home visits;
   - House calls;
   - Special treatments;
   - Tests; and
   - Other medical procedures.

   This also includes other services provided by a licensed practitioner or other qualified

health practitioner such as:

- Psychotherapy;
- Rehabilitative services; and
- Chiropractic services.

7. Medical Equipment and Supplies: This includes costs such as:
   - Needles and syringes used for the injection of insulin or prescription medication;
   - Costs for the purchase of sickroom supplies such as bandages and gauze for a surgical patient or bed pads and protective linens for bedfast patients;
   - Costs for the lease or purchase of medical equipment such as crutches, wheelchairs, wheelchair ramps, hospital beds, or portable oxygen tanks;
   - Costs for the purchase, maintenance, and training of seeing-eye dogs for the blind, and service dogs for people with mobility disabilities. This includes the cost of food and veterinarian's bills for the dog. If a deaf person is aged sixty (60) or older or individuals living with a disability, the costs of the purchase, maintenance, and training of a dog used to "hear" for the deaf person are also considered a medical expense; and
   - Costs for the purchase and maintenance of a "lifeline" service intended to be used by an eligible individual to call for assistance in the case of an emergency. Related telephone costs are not allowable since they are covered by the telephone standard.
8. Medicare Premiums: These are premiums deducted from Social Security checks or paid by certain Railroad Retirement, Veterans Benefits Administration, and Social Security recipients for Medicare coverage under Title XVIII of the Social Security Act.
9. Prescription Drugs: This includes:
   - Drugs prescribed by a licensed practitioner, such as a doctor, dentist, or chiropractor; and
   - Over-the-counter medication recommendedor approved by a licensed practitioner. This includes over-the-counter medications such as, but not limited to, insulin for diabetics, aspirin for arthritics, herbal supplements, and vitamins. Food supplements prescribed by a physician or other health care professional may be allowed as an over-the-counter medication, if the food supplement cannot be purchased with SNAP benefits. If information is needed about a food supplement, the workermust see the SNAP Section.
10. Transportation and lodging: - These are reasonable costs for transportation and lodging incurred to obtain medical treatment.
    - Transportation and lodging costs are determined on a case-by-case basis. Transportation costs are based upon the type of transportation used. If a person aged sixty (60) or older or individuals living with a disability uses his or her own vehicle, the current state employee reimbursement rate will be allowed. If the member uses

public transportation, the actual cost of the transportation will be allowed. If the member pays a non - household member for transportation, the amount charged by the individual will be allowed. Verification of the cost must be obtained. The type of transportation used and the reason for the trip must be documented. Lodging may be allowed if a person aged sixty (60) or older or individuals living with a disability is required to spend the night away from home to receive medical services. The reason the lodging is necessary must be documented in the case record. Verification that medical treatment did occur, as well as receipts to verify the lodging expense must be obtained.

- Lodging expenses are allowable for the parent or parents of a child living with a disability who is hospitalized or receiving treatment at a site that requires the parent or parents to obtain lodging. The cost of lodging does not include the cost of meals or other incidentals.
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6511 Allowable Medical Deductions in Alphabetical Order

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1. Ambulance costs
2. Attendants, home health aides, care of a child living with a disability, homemakers, etc.
3. Braces, corrective for limbs
4. Braces, orthodontic
5. Chiropractic services
6. Contact lenses
7. Corrective shoes and orthotics
8. Crutches
9. Dental services
10. Dentures
11. Dogs (including the cost of food and other costs) trained to assist blind, deaf, or physically impaired
12. Drugs, prescription
13. Drugs, over the counter when prescribed by a licensed practitioner
14. Eyeglasses
15. Hearing aids and batteries
16. Hospital care
17. Hospital beds
18. Incontinence supplies
19. Insurance, cancer, and intensive care
20. Insurance, medical, and hospitalization

21. Insurance, Medicare
22. Insurance, Medipak
23. Lease costs for medical equipment
24. "Lifeline" service but not related phone costs
25. Lifts
26. Lodging when needed to receive medical treatment
27. Medicaid cost sharing
28. Needles and syringes used for insulin or other prescription drugs
29. Nursing home care
30. Oxygen
31. Physician's charges
32. Prosthesis
33. Psychotherapy
34. Rehabilitative services
35. Surgery
36. Surgical dressing supplies
37. Telephonic aids used by persons with a disability
38. Tests, medical
39. Therapy
40. Transportation to medical facility
41. Wheelchairs
42. Wheelchair ramps

6520 Medical Standard or Actual Expenses

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Households with allowable medical expenses may claim the medical standard deduction or elect to deduct actual medical expenses. The medical standard is a predetermined deduction that an eligible household may elect to use in the SNAP budget to calculate total medical costs.

Standard Medical Deduction

Households with allowable medical expenses who wish to claim medical deductions may claim the medical deduction if they have medical expenses of at least thirty-five dollars and one cent ($35.01). If expenses are less than one hundred thirty-eight dollars ($138), the medical standard will be assigned, if they choose to claim and verify all their medical expenses. If medical expenses are greater than one-hundred and thirty-eight dollars ($138), the household may choose either the medical standard or their actual medical expenses. If a household chooses to claim their actual

expenses, the household will need to supply verification of all costs.

To be eligible for the standard medical deduction of one hundred and thirty-eight dollars ($138), the following conditions must be met at initial and subsequent case actions:

- Households must verify, at each initial application, that they have incurred more than thirty-five dollars and one cent ($35.01) a month in qualifying medical expenses.
- Households must attest at each re-certification and subsequent case action that they still have medical expenses more than thirty-fivedollars($35.00). An attestation is a verbal statement, written statement, or appropriate response to a question supplied on a form. No further verification is required.
- Previously unreported medical expenses reported after initial application must be verified. Verification of these previously unreported medical expenses only need to show that the household incurred a medical expense more than thirty-five dollars ($35.00).

Actual Medical Deduction

For households choosing actual medical expenses, the eligibility worker should obtain the best estimate from the household at certification and subsequent case actions to anticipate medical expenses based on the best information available. The household is under no obligation to report changes in medical expenses but is allowed to do so. The worker will act on any reported changes in medical expenses.

The worker must consider several factors when anticipating medical expenses:

1. How often is the expense incurred? See SNAP 6521.
2. Will the expense be reimbursed? See SNAP 6522.
3. Is the expense past due? See SNAP 6523.

6521 Factor One: How Often is the Expense Incurred?

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6521.1 Expenses Incurred Each Month

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Monthly rental payments on medical equipment, visits to a physician made at least once per month, and Medicare premiums are all types of monthly medical expenses. Any medical expense the household expects to incur at least once per month is classified as a monthly medical expense.

6500 Medical Deduction

6521 Factor One: How Often is the Expense Incurred?

6521.2 Expenses Incurred Periodically

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Medical expenses not incurred every month may be allowed in the SNAP budget if they are:

a. Regularly recurring (expenses such as medication purchased every other month or insurance paid quarterly); and
b. Reasonably anticipated (the customer expects to continue incurring these costs on a basis less, often than once per month).

The household may choose to average these expensesor to have them deducted in the month the household is billed for the cost.

6521.3 One-Time Medical Expenses

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One-time medical expenses are those that are not expected to recur. Examples of medical expenses that may be incurred on a one-time basis are hospital costs, the cost of purchasing medical equipment, such as crutches, visits to the doctor when no additional visits or treatments are required, and glasses or dentures.

One-time medical expenses not paid in installments are allowable at initial application for eligible individuals, if the expense is incurred within thirty (30) calendar days prior to the date of application, or if payment will otherwise become due during the month of application.

A one-time medical expense may either be averaged forward over the period of certification or deducted in the month incurred.

One-time medical expenses are allowed at the time of the semi-annual report if the expense is incurred or payment otherwise becomes due in the month of the semi-annual report or the month prior to the semi-annual report. These expenses will be allowed in the first month following the review or averaged over the second segment of the certification period. This is the household's option.

One-time expenses are allowed at the time of recertification, if the expense is incurred or payment otherwise becomes due in the month of recertification or the month prior to recertification. The expense will be averaged over the months in the new certification period or allowed in the first month of the new certification period. This is the household's option. For households certified for longer than twelve (12) months, the expense will be prorated over the remaining twelve (12) months.

A one-time expense voluntarily reported as a change is allowed if the expense was incurred or payment became due within thirty (30) days prior to the date the report was received in the county office. The expense will be averaged over the months remaining in the certification period or in the first month after the change. This is the household's option.

If the household is certified for longer than twelve(12) months, the medical cost reported as a change will be prorated over the month remaining, until the next annual review or recertification is due.

The household must verify that it has been billed for a one-time expense but need not verify that it is making payments on this expense.

If a household reports a one-time medical expense which will be billed in monthly installments, the monthly installment amount will be allowable in the month due.

One-time medical expenses paid with credit cards or loans are considered billed when the credit card statement is received, or the loan payment becomes due. Expenses such as interest charges or annual membership fees on credit cards are not allowable.

6522 Factor Two: Willthe Expense be Reimbursed?

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A medical deduction will not be allowed for any portion of a medical expense that has been or will be reimbursed by an insurance company, Medicare, or Medicaid.

Regardless of how long it takes to obtain verification of the reimbursable portion of the medical expense, a deduction will not be allowed until this verification is obtained.

Negative verification will not be required if a household states that medical expenses will not be reimbursed unless the statement is questionable.

6523 Factor Three: Is the Medical Expense Past Due?

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Payments on past due medical expenses are not an allowable medical expense. Bills for medical expenses are considered past due for SNAP purposes when the provider indicates the bill is past due. When a household reports that a member has begun payment on a bill, the certified eligibility worker will contact the provider to determine the status of the bill, unless the status can be determined from viewing the bill.

6524AnticipatingMonthly Prescription Drug Cost

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Part of determining the total medical deduction is anticipating the household's monthly prescription drug cost. To complete this task successfully, the certified eligibility worker must work with the household.

Verification of the prescription medications taken by a person aged sixty (60) or older or individuals living with a disability is required. Acceptable verification of prescription medications includes receipts or bills from the pharmacist. Statements or computer printouts from the pharmacy are also acceptable. If the pharmacist provides a computer printout or statement, the worker will contact the pharmacist for clarification of the contents, if necessary.

If the household claims that a member is taking over-the-counter medication recommended or approved by a licensed health practitioner, the practitioner must verify he or she has recommended or approved the medication. See SNAP 6524.1

The worker will review the verification to determine the frequency of purchase. If the household states the member continues to take these medications, the worker will anticipate the current cost of each prescription as a monthly expense.

Prescriptions purchased at least once per month will be shown as a monthly cost. If a prescription is purchased more than once per month, the total cost will be shown as a monthly cost. For example, a drug is purchased two (2) times each month at a cost of ten dollars ($10.00). The anticipated monthly cost will be twenty dollars ($20.00).

Prescriptions purchased several times per year on a recurring basis will be anticipated as a periodic expense. See SNAP 6521.2.

6500 Medical Deduction

6524 Anticipating Monthly Prescription Drug Costs

Prescriptions purchased infrequently will be allowed as a one-time medical expense unless the household states the member will begin purchasing the drug more frequently. This should be verified through the physician or pharmacist.

If the household cannot provide verification of past expenses or if the member's prescription costs have increased or decreased substantially, current receipts may be accepted as verification. The workermust document the household's statement about anticipated prescription costs. If the costs are exceptionally high, verification may be requested from the physician or pharmacist that the member is expected to continue taking the prescription drugs.

The method used to anticipate the monthly prescription drug cost will be fully documented in the case record along with the household's statements about anticipated changes in prescription drug costs.

Medicare-Part D

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The Medicare Prescription Drug Plan is also called Medicare Part D.

Under Part D:

- All Medicare beneficiaries are eligible for drug coverage under a Medicare prescription drug plan that they select.
- Individuals with limited income and resources may qualify for extra help with paying for Medicare Part D costs, such as insurance premiums, deductibles, or co-payments, if they complete an application and qualify.
- Individuals who are currently covered by Medicaid, who are in a Medicare Savings Program, or who are receiving Supplemental Security Income (SSI) are enrolled in a Medicare prescription drug plan automatically and are eligible for the extra help automatically.

If an individual is enrolled in a Medicare Part D prescription drug plan, the following prescription costs will be an allowable medical cost:

- Out-of-pocket expenses for prescription drugs, including co-pays and uncoveredover-the-counter drug costs; and
- Monthly premiums that the household must pay for prescription drug coverage.

The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 contained a specific provision that prevents SNAP and other assistance programs from reducing benefits because of the Medicare Discount Drug Card. However, the Medicare Prescription Drug Improvement and Modernization Act (MMA) contained no similar provision for the new Medicare Part D Program. As a result, no standards or prorated credit amounts will be included in the household's SNAP budget. See SNAP 6524.

6524.2 Medicare Approved Drug Discount Cards

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This section of policy has been deleted effective 11/01/11.

6525 Calculation of Actual Medical Expenses

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To calculate a medical deduction, the eligibility worker must anticipate the household's actual monthly medical costs through a series of steps. Each individual declared cost must be anticipated separately.

Item A: Monthly Expenses – See SNAP 6521.1.

These are the medical costs the household expects to have each month during the upcoming certification period. In the case of an annual review or a reported change, these are the medical costs the household expects to have each month during the remaining months of the certification period.

Item B: Periodically Recurring Expenses – See SNAP 6521.2.

Periodic expenses are those expenses paid by the household less often than monthly.

Item C: One-Time Expenses – See SNAP 6521.3.

One-time expenses are those that are not anticipated to recur. Examples are dentures, hearing aids, and hospital stays. Costs like prescription drugs are not normally considered to be one-time expenses. One-time expenses not being paid in installments may either be averaged forward over the period of certification or deducted in the month incurred. The household makes this decision.

If a one-time expense is being paid in installments, the amount of the installment will be considered a monthly expense and handled as such. Take care not to allow one-time expenses in the budget twice.

6526 Changes in Medical Costs

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Households are allowed, but not required, to report changes in actual medical costs. If the household does not voluntarily report a change in medical expenses, the change cannot be made retroactively. For example, a one-time expense is incurred in July. The household reports the expense on its annual review in October. The expense is not allowable.

Many households withmembers entitled to a medical deduction are certified for longer than twelve (12) months. One-time expenses voluntarily reported during the first twelve (12) months of an extended certification period will be allowed during the certification period. The household will determine if the expense is averaged over twelve (12) months or deducted in the month it occurred. See SNAP 6521.3.

6527 Verification ofMedical Expenses

SNAP Manual 01/01/2021

At initial application and at the time or a reported change, the amount of any deductible medical expenses, including the amount of reimbursements, must be verified if the household has elected to use actual medical expenses. Verification of other factors such as allowable services provided or the entitlement of a householdmember to claim a medical expense will be required if the factor is questionable.

For households electing to claim actual medical expenses at recertification and at a reported change, previously unreportedmedical expenses and total recurring medical expenses that have changed by more than twenty-five dollars ($25.00) must be verified. Medical expenses that are unchanged or changed by twenty-five dollars ($25.00) or less will not be verified unless information regarding these expenses is incomplete, inaccurate, inconsistent, or outdated. If the household declares a medical expense that must be verified but chooses not to verify it at any case action, this decision must be documented in the case record. Households that have elected the medical standard must declare that they still have at least thirty-five dollars and one cent ($35.01) in allowable medical expenses to remain eligible for it.

An initial application, or an application for recertification will not be held beyond the time allowed for normal processing solely for the purpose of obtaining required verification of medical expenses if the household is otherwise eligible. The household will be advised that the case was processed without the medical expense and that it may furnish this required verification at a later date. When the household does provide verification of the medical expense, the expense will be deducted, and the SNAP benefit amount will be adjusted according to the timeliness standards for a reported change.

See SNAP 8500 (processing standards for initial applications).

See SNAP 10600 (processing standards for timely filed recertifications).

See SNAP 10700 (processing standards for untimely recertifications).

See SNAP 11410 (processing standards for changes reported independent of periodic reporting).

Suggested sources of verification of medical expenses are:

- Bills, receipts, or statements received by the household;
- Collateral contacts with providers including letters, or telephone calls; and
- Insurance policies or benefit cards.

6528 Documentation of Medical Deductions

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All medical deductions will be documented in enough detail so that a reviewer can determine exactly how the deduction was calculated. Documentation should be retained in the electronic case file if the household is using actual medical costs. At a minimum, the following information should be documented:

- The name of the member who incurred the expense.
- The type of expense, such as prescription drugs, transportation costs, or doctor's visits. Identifying information about the specific expense and the verification obtained for the expense.
- If a medical expense is verified at recertification or at the time of a reported change, document why the verification was required.
- If the expense is reimbursable, state approximately when the household expects reimbursement.

- The figures used in the calculation of the medical deduction; Identify any averaged expenses and indicate the figures used to calculate the averaged expense. Also identify monthly and periodically incurred expenses and indicate why they were allowed. For example, attaching copies of bills that were used as an indication of medical expenses that the household expects to continue through the period of certification.
- Also verify the fact that the household chooses not to verify medical expensesor to delay verification until after certification, if this option is chosen.

6550Child SupportDeductions

SNAP Manual 01/01/2021

A deduction will be allowed for legally obligated child support payments made by a household member to an individual who is not a household member. A legal obligation may be a court order that has been upheld by a judge in a court of law, an order issued through an administrative process, or a legally enforceable separation agreement. Amounts paid out of the household's current income to make up for months in which the household did not meet its child support obligation will be deductible. Payments for child support arrearages will be allowed only if the household was legally obligated to pay the amount in arrears. The value of legally binding child support that is provided in-kind, such as payment of rent directly to the landlord, will be deductible. Payments a non-custodial parent is legally obligated to make to obtain health insurance coverage for a child or children are deductible. This also includes dental insurance, cancer insurance, or intensive care insurance if the parent is legally obligated to furnish this coverage. When the child is coveredon a family plan and the amount paid per person cannot be determined, divide the total premium by the number of people covered. Only the portion paid to maintain coverage for a child or children under the terms of the legal obligation will be counted

Payments for alimony are not deductible. Child support payments made voluntarily are not deductible. This includes milk and diapers purchased for a child unless the parent is legally obligated to make these purchases. Child support payments for a child who is included in the SNAP household are deductible if the parent is legally obligated to pay child support and it is paid to someone living outside of the household. Child support payments that are above and beyond the obligated amount are not deductible. Child support intercepted from a state or federal income tax refund is not deductible.

6551 Determining Amount of Child Support Deduction

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The child support deduction must reflect the child support the household expects to pay during the certification period rather than the obligated amount. Exception: Child support paid on a basis less frequently than monthly, such as annually or quarterly may be averaged forward for the period the payment is intended to cover.

The amount of the child support deduction will be based on the average amount paid if the average amount does not exceed the obligated amount. If the court has ordered a change in the obligated amount, this change must be considered when establishing the child support deduction. For example, if a recent court order has increased the child support from twenty-five dollars ($25.00) to fifty dollars ($50.00) per week and the household states they will meet this new obligation, fifty dollars ($50.00) per week will be anticipated as the child support payment.

For households submitting an initial application, the average must be basedon at least three (3) months' payments unless there is less than three (3) months' history. If there is less than three (3) months' history, the average will be basedon the payments made to date. If there is no payment history, the child support deduction will be anticipated based on the amount the household is obligated to pay plus the household's statement of what it intends to pay.

If the household states it will pay less than the obligated amount, the lesser amount will be deducted. In no instance will the amount deducted exceed the obligated amount.

For households submitting a subsequent application, the average will be basedon the child support paid during the previous certification period with appropriate adjustments for any change in the amount of obligation. See SNAP 1622.9, 1623.1, and 1623.2.

6552 Verification of Child Support Payments

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At initial application, both the obligation to pay child support and the amount of deductible child support paid must be verified. The household will be the primary source of verification of the legal obligation to pay child support, the amount of the obligation, and the amount paid. Any document that verifies the obligation to pay child support, such as a court order, administrative order, or legally enforceable separation agreement, would be sufficient verification of the obligation and obligated amount.

6500 Medical Deduction

6552 Verification of Child Support Payments

Documents used to verify the household's legal obligation to pay child support will not be acceptable verification of the household's actual payment. Acceptable verification of amounts paid include canceled checks, wage withholding statements, verification of withholding from unemployment compensation, and statements from the custodial parent regarding direct payments, or payments that the non-custodial parent pays or expects to pay on behalf of the custodial parent. Payments made through the Office of Child Support Enforcement (OCSE) may be verified through OCSE screens.

Payments for child support arrearages must be verified. Both the legal obligation to pay arrearages and the amount of payment must be verified. Arrearages can be verified through the person receiving the child support, through each person's attorney, through OCSE, through private collection agencies, or through any other documentary evidence, such as court orders.

At each recertification, and when a semi-annual report is processed, the amount of child support paid must be verified. The obligation to pay child support must be verified again only if the household reports a change in the obligated amount. If the household reports a change in the obligation to pay child support, both the obligation and the amount of child support paid must be verified.

An initial application or an application for recertification will not be held beyond the time allowed for normal processing solely to obtain required verification of deductible child support payments, if the household is otherwise eligible. The household will be notified that its case was processed without the child support deduction and that verification of child support may be supplied later. When the household does provide verification of the child support payment, the expense will be deducted, and the SNAP benefit amount will be adjusted according to the timeliness standards for a change reported outside of the reporting period. See SNAP 11410.

6600 The Excess Shelter Deduction

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The excess shelter deduction is the amount of the household's allowable shelter costs in excess of fifty percent (50%) of the household's adjusted SNAP income. The household's adjusted SNAP income is their income after all other allowable deductions, such as earned income, standard, dependent care, child support, and medical.

Unless the household contains a person aged sixty (60) or older or individuals living with a disability, the shelter deduction cannot exceed a maximum allowable figure. See the Standards Appendix (Appendix D) for this figure. See the Glossary definition of "Aged or Disabled ". Households with a person aged sixty (60) or older or individuals living with a disability may deduct all shelter costs in excess of fifty percent (50%) of its adjusted SNAP income.

6610AllowableShelter Costs

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A shelter is defined as a household's principal place of residence. Allowable shelter costs are listed below:

1. Continuing charges for the shelteroccupied by the household.
   The cost of rent or continuing charges leading to the ownership of the shelter are allowable when the household incurs such costs. This includes, but is not limited to, the cost of mortgage payments, condominium or association fees, payments of liens against the property (e.g. second mortgages made to repair the home or personal loans made using the property as collateral), or payments on loans for the purchase of a mobile home. Interest on all such payments will also be an allowable cost. When a householdmoves into a new residence and incurs the cost of the "first and last month's rent," both months' rent will be allowed as a shelter cost in the month in which the household is billed for the two (2) months of rent.
2. Property taxes on the household's shelter.
   The cost of state and local assessments and voluntary road or other improvement taxes will be allowed when incurred by the household. The cost of identifiable personal property or real estate taxes on mobile homes used as a permanent residence will also be allowed when incurred by the household. Personal property taxes other than those on mobile homes used as a permanent residence are not allowable.

   Under Arkansas Code Annotated § 26-26-1118, households may receive a tax credit reducing real property taxes if the property is a homestead. The full cost incurred for real estate taxes

will be allowed as a shelter deduction.

Homeowners who claim a homestead tax credit receive a three hundred seventy-five-dollar ($375.00) credit on their real estate for the assessment year. These bills must have been paid on or before October 15th of each year unless the household moves, changes in shelter costs are not required to be reported. Therefore, the county office worker will not adjust the household's real estate tax bill to reflect this credit until the household's next recertification unless the household moves and reports a change in shelter costs or otherwise reports a change in the tax bill. At that time, the household will be asked to furnish proof of the household's current real estate tax bill. This bill should reflect the amount of real estate taxes after the credit was allowed.

If the household's real estate taxes are included in the household's mortgage payment, the county office worker will not attempt to adjust the amount of the household's mortgage payment to allow for the tax credit. Instead, the county office worker will continue to use the cost incurred for the current mortgage payment in the budget. After the tax credit is allowed, the mortgage company should adjust the amount of the mortgage payment to reflect the tax credit. However, since the household is not required to report changes in shelter costs unless the household moves, the change in the mortgage cost will most likely be reported at the next recertification.

3. Insurance on the household's shelter.

The cost of insurance on the structure itself, but not separate costs for insuring furniture or personal belongings, are allowable when incurred by the household. If homeowner's insurance is sold as a "package" and the company does not identify the cost incurred for coverage on the contents of the home, the entire premium is allowable. The case record must contain documentation to this effect. Membership charges paid to organizations offering insurance to members are not an allowable shelter cost.

4. Utility costs.

The following utility expenses will be considered when determining eligibility for a utility standard:

- The cost of cooking fuel;
- The cost of heating fuel;
- The cost of cooling (*a verifiable utility expense relating to the operation of air conditioning systems, room air conditioners, or evaporative water coolers*);
- The cost of electricity;
- Water and sewer costs;
- Well installation and maintenance;
- Septic tank installation and maintenance;
- Garbage and trashcollection fees; and

- Fees charged by the utility provider for initial installation of the utility.

5. Shelter costs for a home temporarily unoccupied by its owners.
   Shelter costs will be allowed for those homes that are temporarily unoccupied by the owners because of employment or training away from home, illness, or abandonment caused by a natural disaster or casualty loss.
   In order to include the costs of a home temporarily unoccupied by the owners, all four (4) of the following criteria must be met:
   - The household must be incurring these shelter costs.
   - The household must intend to return to the home.
   - The home must not be leased or rented during the absence of the owners.
   - If there are occupants currently in the home, these occupants must not be claiming the shelter costs for SNAP purposes.

   Verification: If a household claims expenses for a temporarily unoccupied home, the worker will verify the household's actual utility expenses for the unoccupied home in every case and will not use the standard utility allowance.
6. Charges for Repair of Home.
   Charges for the repair of the home which was damaged or destroyed due to a natural disaster such as, but not limited to, a fire or a flood are deductible when such charges are billed or otherwise become due. Shelter costs will not include charges for repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or from any other source.

6620 Utility Expenses

SNAP Manual 01/01/2021

At initial application, utility expenses will be verified to determine the type of utility allowance the household will receive. At recertification, a reported change, or at the time of the semi-annual report, utility costs will be verified if the source has changed, as when the household has moved, or the household becomes ineligible for the current utility allowance.

The utility allowances are predetermined amounts assigned to eligible households based on the utility expenses incurred by the household. Actual utility costs are not allowable even if the expenses are higher than the standard. At application, a household will be assigned one (1) of the following:

- Basic Utility Allowance (BUA), if eligible;
- Standard Utility Allowance (SUA,) if eligible;
- Homeless Living Allowance (HLA), if eligible; or
- Telephone Standard.

Households may change standards at any point during the certification, no matter the length of the certification period.

If the Basic Utility Allowance (BUA), Standard Utility Allowance (SUA,) Homeless Living Allowance (HLA), or the Telephone Standard is chosen for a deduction, but required verification is not furnished, the deduction will be disallowed.

All unverified utility costs will be disallowed if the household fails to provide verification by the date shown on the Request for Information or the Notice of Action. If the household wishes to claim expenses for an unoccupied home, the utility standard will be disallowed for an unoccupied home. See SNAP 4410.

6620.1 Standard Utility Allowance (SUA)

SNAP Manual 01/01/2021

Households must incur and be billed for or expect to incur during the next heating and cooling season, the actual cost of heating or cooling to be eligible for the Standard Utility Allowance (SUA). The household may also be eligible if the household receives or expects to receive low income energy assistance payments from the Low-Income Home Energy Assistance Program (LIHEAP) during the next heating and cooling season, whether an actual heating or cooling cost is incurred. Eligibility for LIHEAP implies out-of-pocket expenses, or the household must receive energy assistance of at least twenty dollars ($20.00) per year under federal law. Households billed less than monthly for heating costs, such as butane or propane, are entitled to the Standard Utility Allowance between billing months. If the household reports a change in eligibility for the SUA, but still has a utility expense, the standard must be changed to the Basic Utility Allowance or Telephone Standard.

A household that receives reimbursement for utility expenses, or if the expense is paid through an excluded payment, such as a vendor payment from Housing and Urban Development HUD or Farmers Home Administration (FMHA), the Standard Utility Allowance may be used when the heating or cooling costs exceed the excluded payment amount. The portion of the expenses paid by an excluded reimbursement or vendor payment is not deductible. The amount left after deducting the excluded payment is deductible and includes HUD or FMHA rent, and utility payments. Expenses are only deductible if the service is provided by someone outside of the household and the household makes a monetary payment for the service.

Renters and homeowners who live in separate residences are entitled to the entire Standard Utility Allowance, if they receive a Low-Income Home Energy Assistance Program payment (LIHEAP) of at least twenty dollars ($20.00) per year for their current residence.

The standard utility allowance must not be prorated when households who share a dwelling share utility cost. When households share a dwelling and utility costs, both SNAP households will be allowed to claim the full standard utility allowance.

6620.2 Utility Expenses of Expedited Households

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There are special provisions which apply to the choice of Standard Utility Allowance (SUA) by households entitled to expedited services.

If an expedited household chooses to use the Standard Utility Allowance (SUA), but the expenses are not verified within the expedited timeframes, the household may be certified using the Basic Utility Allowance (BUA). If the verification is later provided, the household's budget may be recalculated using SUA for the following months.

In the absence of any choice by the household, it should be assumed that the household has chosen to use the Basic Utility Allowance (BUA).

6620.3 Specific Costs

SNAP Manual 01/01/2021

Heating

A household that incurs the full cost for its primary source of heating separate and apart from its rent or mortgage costs is entitled to elect the utility standard. Incurring a cost only for supplemental heating, such as, but not limited to, space heaters in bathrooms, electric blankets, heat lamps, or cook stoves, does not qualify a household for the utility standard. Incurring only a cost for an electric blower for an oil or gas furnace does not qualify a household for the utility standard.

The cost of wood is an allowable shelter cost. When wood is used as the primary heating source, the cost of purchasing wood does qualify the household for the utility standard. If a household purchases some wood and cuts the rest, that household will qualify for the utility standard. Costs associated with cutting wood such as hiring labor, the purchase of a chain saw, or the purchase of gas for running the saw are not allowable shelter costs nor do they entitle a household to elect the utility standard

Cooling

A household that incurs the full cost of running a central air conditioning unit, a room air conditioner, or a water cooler (evaporative cooler) is entitled to elect the utility standard. Incurring only a cost for running a fan, including attic fans, does not qualify a household for the utility standard. The utility standard is based on cooling costs. Just owning an air conditioner does not qualify a household for the utility standard. The household must use the air conditioner. Use of an air conditioner on an as-needed basis will qualify a household for the utility standard.

6622 Basic Utility Allowance

SNAP Manual 01/01/2021

The Basic Utility Allowance (BUA) includes utility charges that a household incurs other than for heating and cooling. Households that are not eligible for the Standard Utility Allowance (SUA) are eligible for the Basic Utility Allowance (BUA).

Households only responsible for sewage, trash fees, water, garbage, and other basic service fees, and taxes for one (1) telephone are eligible for the BUA. The costs for a telephone are included in the Basic Utility Allowance (BUA), and may not be allowed as a standalone deduction.

6624 Homeless Living Allowance

SNAP Manual 01/01/2021

The Homeless Living Allowance (HLA) is a predetermined amount updated annually. The homeless household must provide a statement declaring expenses. Households must meet the definition of a homeless household and cannot receive free shelter throughout the month in order to be eligible for the deduction.

The Homeless Living Allowance (HLA) is for households that are considered homeless that have expenses that may include, but not limited to, hotel and motel rooms, homeless shelters, payments to relatives or friends, or the cost of laundry. This living allowance also includes telephone expenses. Individuals living in their vehicles that make payments for ownership or a portion of insurance that covers vehicle damage are eligible for this deduction.

6625 Telephone Standard

SNAP Manual 01/01/2021

The telephone standard is for households that incur expenses for any type of telephone service regardless of the number or type of telephone used by the household. The standard costs for telephone expenses will apply across the board to all areas of the state. No more or no less will be allowed for the telephone costs regardless of the household's actual costs.

If the household is assigned the Standard Utility Allowance (SUA), Basic Utility Allowance (BUA), or the Homeless Living Allowance (HLA), a separate deduction for telephone will not be allowed because telephone expenses are included in the Standard Utility Allowance, Basic Utility Allowance, and the Homeless Living Allowance.

6626 Households with HUD or FMHA Utility Reimbursements

SNAP Manual 01/01/2021

See SNAP 5413, SNAP 5411, and SNAP 6700. The electricity bill runs about ninety dollars ($90.00) per month. The household may choose to use the utility standard.

6627 Verification and Documentation of Shelter Costs

SNAP Manual 01/01/2021

At any case action, verification of charges for the shelter occupied by the household, property taxes, or insurance will be requested only when these costs are questionable. At any case action, entitlement to the utility standard needs to be verified only if the household's statements regarding the household's primary source of heating or cooling are questionable or contradictory.

6628 Applying the Excess Shelter Deduction

SNAP Manual 01/01/2021

The excess shelter deduction must be calculated after the household's adjusted SNAP income has been determined. To apply the deduction, one-half of the adjusted SNAP income must be calculated. Then, this figure is subtracted from the household's total shelter costs. The result is the household's excess shelter.

Unless the household contains an individual living with a disability or a person sixty (60) years old or older, the excess shelter deduction must not exceed the maximum allowable. The maximum amount is adjusted annually.

6700 Determining if an Expense should be Deducted

SNAP Manual 01/01/2021

Dependent care costs are specified in SNAP 6400. Allowable medical expenses are specified in SNAP 6510. Allowable shelter costs are specified in SNAP 6610.

No expense is deductible unless the expense is incurred for a service provided by a non-household member, and the household has made or will make a money payment for the service.

Child support payments are deductible as specified in SNAP 6550 only if the payment is legally obligated and made by a household member to an individual who is not a household member.

Allowable expenses paid with money borrowed by a household member are deductible.

The following expenses are not allowable, even if incurred by the household:

1. Expenses paid with excluded educational income. See SNAP 1622.9.
2. Expenses covered by demonstration project cash-out funds. See SNAP 5413.1.
3. Expenses covered by an excluded reimbursement. See SNAP 5411.
4. Utility costs paid through an excluded payment or an excluded reimbursement. For example, to determine allowable shelter costs when the household receives a HUD utility reimbursement check, subtract the amount of the check from the total actual utility costs. See SNAP 6626.2.
5. Dependent care costs reimbursed or paid through the Division of Child Care, the Transitional Employment Assistance program, or similar programs. See SNAP 6400.
6. Expenses that will be covered by an excluded vendor payment. See SNAP 5413.
7. Expenses that are provided as an in-kind benefit. See SNAP 5406.

6710 Determining the Month the Deduction should be Allowed

SNAP Manual 01/01/2021

A deduction for a billed expense other than child support payments will be allowed only in the month the household is billed for the expense or the expense otherwise becomes due. This is true no matter when the household intends to pay the expense.

Recurring monthly expenses will be allowed on a monthly basis even if two (2) bills are received in the same month due to a billing cycle. Except for child support payments, amounts carried forward from past bill periods are not deductible even if included in the most recent bill and actually paid by the household. In any event, an expense may only be deducted once.

Child support paid out of the household's current income to make up for months in which the household did not meet its legal obligation is deductible. See SNAP 6550-6552.

Bills that only include past due amounts are not allowable.

Rent paid "in advance" is an allowable shelter cost. The monthly rent amount that would have otherwise been incurred by the household will be allowed as a shelter cost for each month covered by the advance payment.

6720 Projecting Expenses in a Prospective Budget

SNAP Manual 01/01/2021

When calculating a prospective SNAP budget, the eligibility worker attempts to project the household's expenses by considering past expenses as well as the household's statements about what they expect their expenses to be. Unless the household is reasonably sure that a change will occur, the most recent month's bills may be used to anticipate expenses.

6721 Special Procedures for Projecting Medical Expenses

SNAP Manual 01/01/2021

Monthly medical expenses are projected for households who are eligible for a medical deduction. One-time and periodic expenses are handled. See SNAP 6521.1.

The eligibility worker must review the household's medical bills and question the household to determine:

a. If the expense is incurred on a monthly basis, for example, a maintenance drug purchased every thirty (30) days;
b. If the household expects to continue incurring the cost on a monthly basis such as when an eligible household member visits the doctor each month; and
c. If the amount of the expense can be expected to increase or decrease. For example, does the household expect to continue taking the same dosage of the prescription drug?

Based on the household's most recent expenses plus any anticipated changes, an amount may be determined for the cost of monthly medical expenses.

6723 Special Procedures for Projecting Child Support Payments

SNAP Manual 01/01/2021

The child support deduction will be projected based on the average amount of child support paid, as long as the averaged amount does not exceed the obligated amount. See SNAP 6551.

6730 Averaging Expenses

SNAP Manual 01/01/2021

Householdsmay choose to average expenses that change from month to month.

Households may also choose to average irregularly, or periodically recurring expenses as specified below:

1. Expenses that are billed less often than monthly may be averaged forward over the interval between scheduled billings.
2. Expenses that are billed less often than monthly may be averaged forward over the period the expense is intended to cover if there is no scheduled interval for billing.

7100 Determining Eligibility/Prospective Budgeting – Summary

SNAP Manual 10/01/03

When a household applies for Supplemental Nutrition Assistance Program benefits (either initially or at recertification), when a change is reported, or when a semi-annual report is processed, eligibility must be re-determined prospectively.

Eligibility is based upon financial and non-financial eligibility factors.

The non-financial eligibility factors are summarized in SNAP 7200 below.

The procedures used to determine eligibility based on the financial eligibility factors (resources and income) are described in this section. Also included is a full description of the budget process.

7200 Non-Eligibility Factors

Factor	How Factor is Applied	Verification	Action to Take if Factor Not Met	Policy Reference
Identity	The identity of the household member (and AR if applicable) must be verified.	Mandatory	Deny the application. A notice will be generated automatically	SNAP 1400 and SNAP 960 (AR)
Residency	The household must live in Arkansas.	Mandatory	Deny the application. A notice will be generated automatically.	SNAP 1300-1330
Household Composition	The household must establish who lives in the home and whether each member is eligible to participate.	If questionable to the worker.	Deny the application. A notice will be generated automatically.	SNAP 1600-1620
Separate Household Status	When two groups of individuals living in the same residence wish to claim that they are separate households for SNAP purposes, the household applying for SNAP benefits must establish this claim.	To the extent determined necessary by the worker.	Include all individuals as household members when determining eligibility.	SNAP 1630-1633
Work Registration Requirements	All household members subject to work registration must meet the work registration requirements including voluntary quit and reduction of work hours.	For individuals claiming disability, verify as per SNAP 3230.	Disqualify members who not comply. • First violation: 3 months. • Second violation: 6 months. • Third and subsequent violations: 12 months.	SNAP 3400 SNAP 3410
Requirement to Work	Able-bodied household members between the ages of 18 and 49 must work at least 20 hours per week or participate in a work program. This requirement does not apply to parents of minor children, pregnant women or people who are otherwise exempt from work registration.	For individuals claiming disability, verify as per SNAP 3500.	Disqualify members who do not comply.	SNAP 3500

7200 Non-Eligibility Factors

Factor	How Factor is Applied	Verification	Action to Take if Factor Not Met	Policy Reference
Citizenship	All members must either be U.S. citizens or legally admitted aliens who meet the specified criteria.	All aliens who wish to be included in the SNAP household must provide documentation of status. Aliens wishing to participate as qualified aliens must provide proof of qualified alien status.	Disqualify ineligible aliens. Approve other household members if otherwise eligible. Advise the household of the disqualification on a manually issued *Notice of Action* (DCO-1).	SNAP 1621.1
Requirement to furnish Social Security Number (SSN)	Any household member who wishes to be included in the SNAP household must declare or apply for an SSN.	Verification occurs automatically through IEVS.	Disqualify members (other than newborns) who have not declared or applied for an SSN. Approve other household members, if otherwise eligible. Advise the household of the disqualification on a manually issued *Notice of Action* (DCO-1).	SNAP 2200-2411
Student Criteria	Individuals defined as students by SNAP policy must meet certain criteria to participate in the Supplemental Nutrition Assistance Program.	Mandatory for students defined as students by SNAP policy.	Students who do not meet at least one of the applicable criteria are ineligible. Advise the household on a manually issued *Notice of Action* (DCO-1).	SNAP 1622 SNAP 1622.9
Striking Household	Members Household with striking members must have been either participating in the Supplemental Nutrition Assistance Program or eligible to participate the day before the strike began. Special income determinations apply to eligible households with striking members.	Verification of pre-strike income is mandatory in addition to all normal verification requirements.	Deny household if not eligible. Advise the household on a manually issued *Notice of Action* (DCO-1). If household is eligible, apply income determinations as instructed.	SNAP 1700-1740

7300 Prospective Eligibility

SNAP Manual 7/01/98

Sections 7400 - 7525 explain the steps used to determine a household's eligibility based upon income and resources.

7400 Resource Eligibility

SNAP Manual 7/01/98

All resources declared by the household must be considered. During the interview, the household should be questioned to determine if undeclared resources are available to the household.

Resources likely to be undeclared include:

1. Bank accounts for children,
2. Bank accounts established by an individual outside the household when a household member's name appears on the account (see SNAP 4601),
3. Vehicles in the possession of an individual outside the household when the vehicle is registered to a household member - (ownership must be considered as per SNAP 4810), and
4. Certificates of deposit or other accounts set aside by a household member as a "burial fund".

7410 Resource Chart

SNAP Manual 11/01/02

Name of Resource	How Handled	Policy Reference
Boats	Handle in the same manner as other vehicles.	SNAP 4800
Bonds	Count current redemption value.	SNAP 4610
Burial Lots	Exclude one per household member. Count equity value of excess lots.	SNAP 4460
Cash on Hand	Count full value. CAUTION: Do not count current or prorated income as a resource.	SNAP 4620
Certificates of Deposit (Savings Certificates)	Count full value. It may be necessary to determine ownership as per SNAP 4601.	SNAP 4660

7400 Resource Eligibility

7410 Resource Chart

Name of Resource	How Handled	Policy Reference
Checking Accounts	Count full value. CAUTION: Do not count current or prorated income as a resource. It may be necessary to determine ownership as per SNAP 4601.	SNAP 4601
Earmarked Funds	Exclude as resource if household is subject to legal sanction if funds are not used as intended.	SNAP 4460
Excess Real Property	County equity value.	SNAP 4700
Home and Lot	Exclude as a resource.	SNAP 4410
Household Goods	Exclude as a resource.	SNAP 4420
Income Producing Property	Exclude as a resource. (If real property, it must be producing income consistent with fair market value.)	SNAP 4440
Indian Lands	Exclude as a resource.	SNAP 4450
IRAs	Count the total cash value less the amount of any penalty for early withdrawal.	SNAP 4630
Keogh Plans	Count Keogh plans held solely by a household member or members. Count the total cash value less the amount of any penalty for early withdrawal.	SNAP 4640
Jewelry	Exclude as a resource.	SNAP 4420
Life Insurance Policies	Exclude as a resource.	SNAP 4420
Livestock	Exclude as either income producing property or as personal property.	SNAP 4420
Lump Sum Payments	Count as a resource.	SNAP 4950
Payments/Benefits	Excluded by Law Exclude as a resource. See SNAP 4450 for a full list.	SNAP 4450
Pension Funds	Exclude as a resource.	SNAP 4420
Property for Sale	Consider inaccessible. Exclude as a resource.	SNAP 4530
Property in Probate	Consider inaccessible. Exclude as a resource.	SNAP 4520
Recreational vehicles (Three or four wheelers, motorcycles, go-carts, motor homes, campers, etc.)	Handle in the same manner as other vehicles.	SNAP 4800
Savings Accounts	Count full value. CAUTION: Do not count current or prorated income as a resource. It may be necessary to determine ownership as per SNAP 4601.	SNAP 4650

Name of Resource	How Handled	Policy Reference
Security Deposits	Exclude as a resource.	SNAP 4550
Stocks	Count current per stock value times the number of stock held by the household.	SNAP 4670
Trust Funds	Exclude as a resource only if inaccessible as defined in SNAP 4510. If accessible, count full value of fund.	SNAP 4510
Vacation Homes (Includes time-share condominiums, R.V. parks, etc.)	Count equity value unless the property annually produces income consistent with its fair market value.	SNAP 4700
Vehicles	See SNAP 4800-4870.	SNAP 4800-4870

7420 Determining Total Resources

SNAP Manual 7/01/98

To determine the household's total resources, the worker must add together: a) countable liquid resources, b) the excess value of all countable vehicles, and c) the equity value of all countable non-liquid resources. The resulting figure will be compared to the applicable resource limit.

7430 Limits for Total Allowable Resources

SNAP Manual 04/01/2024

Resource Limit -

The SNAP program has a resource limit. The amount of resource limit varies based on the type of SNAP household. Please see Appendix D for resource limits for Regular and Aged/Disabled households.

Categorically eligible households have no resource limit in the Supplemental Nutrition Assistance Program (see SNAP 1920). The resources of individuals who receive SSI or Temporary Assistance for Needy Families (TANF) are not counted when determining eligibility for SNAP because these are considered categorically eligible households. For example, The Monroes are resource-eligible since there is a member over sixty (60) years of age.

7431 Denying Applications When Resources Exceed Limits

SNAP Manual 04/01/2024

Applications may be denied immediately when the worker verifies that the household's resources exceed the limit if the household is not categorically eligible.

Applications that attest to resources exceeding the resources limit must be verified; if the verification of excess resources is not received, the application will be denied for failure to return requested information.

7500 Step 2 - Gross Income Eligibility

SNAP Manual 11/01/02

All households except categorically eligible or persons aged 60 or older and/or individuals with disabilities households must meet gross income limits. See the Glossary for definitions of categorically eligible and persons age 60 or older and/or individuals with disabilities.

A household's gross income is the household's total countable income before any deductions.

EXAMPLE: A household applying for SNAP benefits declares self-employment income of $70,000 from the previous year as their only income. The cost of producing this income ($45,000) is excluded. To determine if this household meets the gross income pretest the worker completes the following calculation.

$70,000 Gross self-employment income
-45,000 Cost of producing the income
$25,000 / 12 months = $2,083 per month gross income

The household contains six members. As of October 1, 2001, the gross income allowed for six members is $2,567. The household meets the gross income pretest.

The following section provides lists of excluded income countable income. For specific information, policy references are given.

7510 Excluded Income

SNAP Manual 7/01/98

The income listed below is excluded entirely when gross or net income is determined.

Type of Excluded Income (in alphabetical order)	Reference
Child Support payments when such payments should be paid to the Office of Child Support Enforcement (OCSE) to maintain TEA eligibility.	SNAP 5401
Costs of producing self-employment income.	SNAP 5663
Earnings of a child who is under 18 years of age and attending school at least halftime.	SNAP 5403
Educational Benefits.	SNAP 1622.3
(By) Federal Statute.	SNAP 5405
In-kind benefits such as food and clothing.	SNAP 5406
Irregular income if such income is not received on a regular basis and does not exceed $30.00 per quarter.	SNAP 5407

Type of Excluded Income (in alphabetical order)	Reference
Loans.	SNAP 5408
Non-Recurring Lump Sum Payments.	SNAP 5409
Recoupments from entitlement checks such as SSI and TEA to recover non-fraud overpayments. (See SNAP 5410 for specific limitations.)	SNAP 5410
Reimbursements that do not exceed the cost of the expense for which the reimbursement was made.	SNAP 5411
Third party beneficiaries – To the extent income is actually used for the intended beneficiary who is not a household member.	SNAP 5412
Vendor payments.	SNAP 5413

7511 Countable Income

SNAP Manual 7/01/98

The income listed below will be included in all budget calculations. For ease of reference, the list is divided into earned income and unearned income.

Countable Earned Income (in alphabetical order)	Reference
Annual bonuses – May be a fixed amount, a percentage of the employer's profits, or an amount determined by length of service.	SNAP 5502
Contractual income – Income paid to someone for labor under terms specified in a contract.	SNAP 5505
Diverted wages – Wages owed to the household but diverted by the employer to third party.	SNAP 5506
Military pay – Income received as an active member of the Armed Forces including Reserve Forces and the National Guard.	SNAP 5507
Self-employment income – Income earned by a household member who is providing a service or product in a profit-making venture.	SNAP 5600
Sick pay/maternity benefits – Pay provided to an employee who is on sick leave or maternity leave. Must be paid from the company's funds rather than from an insurance carrier.	SNAP 5508
Training allowances – A stipend or allowance paid to an individual to participate in a training program.	SNAP 5509
VISTA payments – Refer to policy shown for specific information about when this will be counted. It is excluded for some VISTA workers.	SNAP 5511
Wages – Payment for services as an employee may be paid on a weekly, bi-weekly, monthly, or other basis. This includes wage advances.	SNAP 5512

7500 Step 2 - Gross Income Eligibility

7511 Countable Income

Countable Unearned Income (in alphabetical order)	Reference
Allotments	SNAP 5702
Annuities/annual lottery payments	SNAP 5703
Child support/alimony payments	SNAP 5704
Contributions	SNAP 5705
Diverted payments	SNAP 5706
Educational benefits – All Title IV and BIA Educational income is excluded. Other income is excluded to the extent earmarked or used for educational costs.	SNAP 5707 SNAP 1622.7
Foster care payments	SNAP 5708
Gifts (monetary) – Some gifts will be excluded as irregular income of a lump sum payment.	SNAP 5709
Installment contracts	SNAP 5710
Interest, dividends, and royalties	SNAP 5711
Loans – Limited to personal loan for which no repayment is planned.	SNAP 5408
Pensions	SNAP 5712
Railroad retirement payments	SNAP 5713
Reimbursements – Limited to the amount the reimbursement exceeds the actual expense or to reimbursements for normal living expenses.	SNAP 5714
Rental income – Exclude the costs of producing the rental income.	SNAP 5715
Severance pay – Limited to severance pay designated to be paid in installment rather than as a lump sum.	SNAP 5716
Sick pay/maternity benefits – When paid by an insurance company to an individual.	SNAP 5717
Social Security benefits (SSA)	SNAP 5718
Strike benefits	SNAP 5719
Supplemental Security Income (SSI)	SNAP 5720
Transitional Employment Assistance (TEA)	SNAP 5701
Unemployment Insurance benefits (UI)	SNAP 5721
Veterans Assistance benefits (VA)	SNAP 5723
Workman's Compensation benefits	SNAP 5724

7512 Budgeting SNAP Income Prospectively

SNAP Manual 7/01/98

The purpose of prospectively budgeting income is to anticipate the household's income for the assigned certification period; or if the household is subject to semi-annual reporting (SR), to anticipate the household's income for the upcoming six-month period. (See SNAP 5691 for special instructions on processing self-employment income received by SR households.) Income (other than annualized or averaged income) will not be counted in a perspective budget unless the amount of the income and the date of receipt can reasonably be anticipated. Income from a new source such as a government benefit check or a new job will not be counted in the SNAP budget until the amount and the date of the first payment has been reasonably established. For example, if a household reports at its application interview that a member has been laid off but should begin receiving unemployment insurance(UI) benefits, the UI benefits will not be counted in the household's budget until the date of receipt of the first check is known.

Income received within the past 30 days is normally used as an indicator of the income that is and will be available to the household during the certification period. (For SR households the indicator applies to income to be received in the next six-month period.) For example, a household with the weekly -earned income applies for recertification and is interviewed on May 15. The household reports that earnings are received every Friday and that there is a one-week "hold back" on the earnings. The following pay check stubs will be used to anticipate monthly earnings for the upcoming period of certification.

Pay Check Date	Date Received	Gross Pay
April 13	April 20	$225
April 20	April 27	$231
April 27	May 3	$220
May 3	May 10	$225

Past income will not be considered an accurate indicator of future income when changes have occurred or can be anticipated during the upcoming certification period. (For SR households, this rule applies to the upcoming six-month period). In these instances, the worker will use the most accurate information available to anticipate the household's income. Income other than annualized or averaged income will be removed from the SNAP budget if the income is no longer being received. If the worker can determine that the household is ineligible for the month of application but will be eligible in subsequent months, the application will be approved. The certification period will begin with the first month of eligibility. For example, if a household

applied for SNAP benefits on July 7 and is ineligible for July benefits but eligible for August benefits, the period of certification will begin in August.

When a household is entitled to retroactive benefits, the amount of the retroactive benefits will be calculated, proration will be applied as necessary, and the retroactive benefits will be authorized.

If a household is not eligible for the current month but is eligible for a prior month or months in the application period, the household will be issued any retroactive benefits.

EXAMPLE: A household applies for SNAP benefits on March 15th. On May 2nd, the worker determines that the household is currently ineligible and the county was at fault for the delay in processing. The household was eligible for SNAP benefits in March and April. So the worker calculates the household's March and April SNAP benefits. March benefits are prorated to the date of application, March 15. These benefits are authorized as retroactive benefits.

There are special procedures to be used at initial application or at any time when the household's income will vary from month to month due to anticipated changes. See SNAP 7522.

There are special rules which apply when a household's TEA or SSI benefits are reduced, terminated or suspended due to that member's intentional failure to comply with an TEA or SSI program requirement (see SNAP 12110).

7512.1 Documentation

SNAP Manual 7/01/98

It is vital that case actions based on prospective budgeting contain the following documentation:

1. The dates and amounts of the income verification used in the prospective budgeting process;
2. If applicable, the household's statement about this income - whether they expect the income to continue, if any changes are expected, etc.; and
3. If any changes in the source or the amount of the income are expected, an explanation of the expected changes and resulting budget adjustments.

Good documentation is essential to the prospective budgeting process. Reviewers must be able to determine if the prospective budget was based on the best information available to the worker at the time the action was taken.

7512.2 Calculating Prospective Budgets

SNAP Manual 7/01/98

The methods used to calculate prospective budgets depend upon the type of income received by the household and the frequency of receipt. SNAP 7513 - 7513.2 provides guidelines for handling specific types of income.

7513 Weekly and Bi-Weekly Income Conversion Factors

SNAP Manual 7/01/98

NOTE: These instructions do not apply to budgets calculated to determine the amount of an overpayment. See SNAP 15400 for instructions on preparing overpayments.

The purpose of using a conversion factor in a prospective budget is to "even out" the effect of variations in monthly income when income is received on a weekly or a bi-weekly basis. For example, in the months when a household receives four checks, the SNAP budget will reflect slightly more income than the household received; however, in the months when five checks are received the budget will reflect slightly less income than the household received. In this manner, the SNAP budget accounts for normal fluctuation in monthly income without monthly recalculations.

A conversion factor is not used when the worker is averaging two or more months income (see SNAP 7521) or when there is less than a full month's income from any source. A full month's income means that some pay was received from the same source for each pay date in that particular month.

EXAMPLE 1: Mr. G. is paid every Saturday, but he is scheduled to be laid off on December 21. In December, he will receive the following pay: December 1 - $240; December 8 - $240; December 15 - $240; December 22 - $240; December 29 - $0. $240 + $240 + $240 + $240 = $960. His monthly-earned income is $960.

Since he will not be receiving a paycheck on December 29th, he will be receiving less than a full month's pay. Therefore, his December income will not be converted.

EXAMPLE 2 Mr. H. works for the same employer and is also paid on Saturday; however, he is not scheduled to be laid off until December 24. In December, he will receive the following pay: December 1 - $200; December 8 - $200; December 15 - $200;

December 22 - $200; and December 29 - $40. His monthly-earned income is $840.

Since he received a paycheck on each scheduled pay date in the month of December, his income will be converted when the budget for December is calculated. To convert, all pay received in December will be added together, the total will be divided by 5 (for five pay dates) and multiplied by the conversion factor of 4.334. $200 + $200 + $200 + $200 + $40 = $840 ¸ 5 = $168 x 4.334 = $728.11 rounded to $728.

EXAMPLE 3: Mr. I, who also works for the same employer, was laid off on November 30 and received his last check of $100 on December 1. On December 3 he went to work for another employer. He received his first check for $200 on December 8. On December 15, 22, and 29 he received checks for $200. He did receive a check each Friday in December, but since his income is from two different sources, his income will not be converted when the December budget is calculated. Instead, all checks received in December will be added together. $100 + $200 + $200 + $200 + $200 = $900. His monthly-earned income is $900.

NOTE: These examples are intended only to illustrate either a full month's income or less than a full month's income. In each situation illustrated in these examples, it would be necessary for the worker to calculate a second budget to anticipate the household's January income.

When a household reports income from more than one source which is subject to conversion, each source of income must be converted separately. For example, if a household reports earned income from two sources, each source of income will be converted separately before the household's total earned income is calculated.

7513.1 Weekly Income - Conversion Factor - 4.334

SNAP Manual 7/01/98

Weekly income must be converted to a monthly amount using the conversion factor of 4.334 when a full month's income has been received or is anticipated. (See SNAP 7513.)

To convert weekly income which does not vary from week to week, the unrounded weekly amount will be multiplied by 4.334.

EXAMPLE: Mrs. Miller receives unemployment benefits of $100 per week. To convert this to a monthly amount, $100 will be multiplied by 4.334. $100 x 4.334 = $433.40 rounded to $433. The monthly income from unemployment is $433.

To convert weekly income which varies from week to week, the following steps will be completed.

Step 1: Unrounded weekly gross income amounts will be added together.

Step 2: The resulting figure will be divided by four or by five as appropriate to obtain a weekly average. The weekly average will not be rounded.

Step 3: The unrounded weekly average will be multiplied by 4.334. The resulting figure will be rounded up or down to the nearest dollar.

EXAMPLE: Mrs. Miller receives child support. The last four weekly amounts received were $40, $50, $50 and $40. Mrs. Miller states this represents the amount of child support normally received in a month. To convert this income, complete the following calculations - $40 + $50 + $50 + $40 = $180 ¸ 4 = $45 x 4.334 = $195.03 rounded to $195. The monthly income from child support is $195.

7513.2 Bi-Weekly Income - Conversion Factor 2.167

SNAP Manual 7/01/98

Bi-weekly income is income received every other week. Semi-monthly income is received only twice per month. See SNAP 7514 for instructions on handling semi-monthly income..

Bi-weekly income must be converted to a monthly amount using the conversion factor 2.167 when a full month's income has been received or is anticipated.

To convert bi-weekly income which does not vary, the unrounded amount will be multiplied by 2.167.

EXAMPLE: Every other week Mr. Scott receives a worker's compensation check in the amount of $275.25. To convert this income - $275.25 x 2.167 = $596.46 rounded to $596. The monthly income from worker's compensation is $596.

To convert bi-weekly income which varies, the following steps must be completed.

Step 1: Unrounded bi-weekly gross income amounts will be added together.

Step 2: The resulting figure will be divided by two or three as appropriate to obtain an average figure. The average figure will not be rounded.

Step 3: The unrounded average figure will be multiplied by 2.167 to determine monthly income. The monthly income will be rounded up or down to the nearest dollar.

EXAMPLE: Mr. Benton is employed and is paid bi-weekly. At his application interview on May 28 he presented two check stubs dated 5-10 and 5-24 as verification of May earnings. The gross amount of the check dated 5-10 was $420.50. The gross amount of the check stub dated 5-24 was $450.80. To convert this income: $420.50 + $450.80 = 871.30 ¸ 2 = 435.65 x 2.167 = $944.05 rounded to $944. Mr. Benton's anticipated monthly earnings are $944.

7514 Semi-Monthly Income

SNAP Manual 07/01/98

Semi-monthly income is income received twice per month - for example, the first and the fifteenth of the month. Income received every other week is called bi-weekly income. See SNAP 7513.2 for instructions on handling bi-weekly income.

When income is received on a semi-monthly basis, the gross pay from each pay period is simply added together to determine monthly income. Individual income amounts will not be rounded. The monthly total will be rounded up or down to the nearest dollar.

EXAMPLE: Mr. Stone is paid on the first and fifteenth of each month. At his application interview on May 28 he presents check stubs dated 5-1 and 5-15 as verification of May income. The gross amount of the check dated 5-1 was $640.15 and the gross amount of the check dated 5-15 was $600.15. $640.15 + $600.15 = $1,240.30 rounded to $1,240. Mr. Stone's monthly earnings are $1,240.

Households receiving semimonthly income on a recurring basis must not have their monthly income varied merely because of changes in mailing cycles or pay dates for reasons such as, but not limited to, the occurrence of a weekend or holiday at the beginning or the end of the month.

7515 Income Not Received on a Weekly Basis

SNAP Manual 07/01/98

When income is received more often than monthly but not on a weekly or biweekly basis, the monthly amount is determined by adding together all payments received in that month. Individual payment amounts are not rounded. The monthly total is rounded up or down to the nearest dollar.

EXAMPLE: Mr. Hempstead drives a truck hauling pulpwood for a logger when work is available. (He is not self-employed.) He is paid by the load. He applies for SNAP benefits on May 15. He verifies that in April he hauled 20 loads and was paid $25 per load. 20 loads x $25 per load = $500. Mr. Hempstead's monthly earnings are $500.

7516 Monthly Income

SNAP Manual 07/01/98

Income received on a monthly basis is not converted. When a household receives income on a recurring monthly basis, and two payments are received in one month due to changes in mailing cycles or pay dates for reasons such as, but not limited to, weekends or holidays, both payments are not to be counted as income in the same month. Instead, each payment will be counted as income in the month for which payment was intended.

7517 Annualized Income

SNAP Manual 07/01/98

Some households receive their annual income over a period of time shorter than one year. A monthly amount is determined by dividing the annual income by 12.

7518 Self-Employment Income

SNAP Manual 07/01/98

Self-employment income is annualized when the income from the enterprise is received in a short period of time but represents a household's annual support. For example, a farmer who raises cotton and soybeans receives all his annual income within the period of a few months.

Self-employment income received throughout the year is normally anticipated by determining the total annual income from the previous year and averaging this income over the upcoming year. It is recommended that the household's annual income be based upon the self-

employment income and expenses declared on the tax return. For example, a man owns a log truck. He hauls logs throughout the year whenever work is available and/or the weather permits. His earnings for the previous year may be averaged to anticipate his earnings for the current year. If the income tax return is not available or does not reflect the current income, the household may furnish other verification.

See SNAP 5600 for complete instructions on calculating income from a self-employment enterprise.

7519 Contractual Income

SNAP Manual 07/01/98

Employees who work under a contractual arrangement must have their income prorated over a 12-month period. A contractual arrangement exists if the employee and employer have a written agreement which stipulates, at a minimum, the annual or monthly salary. Individuals who are paid on an hourly or piecework basis will not have their income prorated over a 12-month period.

School teachers and school administrators are contract employees.

Since arrangements vary from school district to school district, school employees other than administrators or teachers may or may not be considered contractual employees. The income of school employees who do not work under a contract will not be annualized. The income of employees who have a contract will not be annualized if the contract does not specify a yearly or a monthly amount. For example, the income of school cafeteria workers who are paid by the hour will not be annualized.

Contract income that is not the household's annual income and is not paid on an hourly or piecework basis will be prorated over the period the income is intended to cover.

EXAMPLE: A man signs a contract to complete a specific job at a plant. The terms of the contract call for the man to receive $4,000 for the job and to complete the job in three months. He is to receive $2,000 when he begins the job and $2,000 when he completes the job. The $4,000 payment will be prorated over the three-month period covered by the contract.

7520 Income Averaged Forward Over the Period of Intended Use

SNAP Manual 11/01/02

At the household's option, income intended to cover a period longer than one month may be averaged over the period of intended use. (The gross income is divided by the number of months in the period of intended use.) Types of income which may be averaged forward over the period of intended use include dividends and interest.

EXAMPLE: A household receives $15 interest on a quarterly basis.

$15 X 3 = $5.00. $5.00 is the household's monthly interest income.

If the household does not choose to average income intended to cover a period longer than one month, the entire payment will be counted as income in the month of receipt. At application, this will require the calculation of two budgets – one that includes the income and another that does not. See SNAP 7523.3 for instructions on authorizing variable benefit amounts.

7521 Averaging Several Months Income

SNAP Manual 07/01/98

In cases where the receipt of income is reasonably certain but the monthly income may fluctuate, the household may elect to income average. (Income may not be averaged for destitute households as defined in SNAP 9446.)

Before income may be averaged, the worker must obtain verification of at least two consecutive full month's income, and the household must agree that this income is representative of the income fluctuations anticipated for the coming months. The number of months used to arrive at the average income need not be the same as the number of months in the assigned certification period.

EXAMPLE 1: Fluctuating income for two months is known and the household is reasonably certain that this income is representative of the income anticipated to be received in the coming months. The income for the two known months may be averaged and projected over a certification period longer than two months.

To calculate averaged income, the worker will obtain a monthly total for each month, add the monthly totals together and divide by the total number of months. Since averaged income represents more than one full month's income, no conversion factor will be used to obtain total monthly income.

EXAMPLE 2: A household has elected to average three months' income and provides the following pay check stubs.

June	GROSS	DATE	GROSS	DATE	GROSS
6-1	$230.15	7-6	$225.25	8-3	$325.30
6-8	300.00	7-13	45.00	8-10	155.55
6-15	175.25	7-20	230.15	8-17	230.15
6-22	230.15	7-27	155.55	8-24	230.15
6-29	276.95			8-31	230.15
TOTAL	**$1,212.50**	**TOTAL**	**$655.95**	**TOTAL**	**$1,171.30**

June	$1,212.50
July	655.95
August	1,171.30
TOTAL	$3,039.75
x 3 mo	$1,013.25
Rounded:	**$1,013.00**

$1,013 will be used as the total gross monthly

7522 Special Procedures

SNAP Manual 10/01/03

NOTE: This section of policy is not intended to furnish instructions onconversion of income. See SNAP 7513 for instructions on conversion of income.

When an initial application is processed, the budgeting process must reflect the household's income for each month in the application period. To accomplish this it may be necessary to prepare more than one budget. This may result in a SNAP benefit amount which varies from month to month. See SNAP 7523.3 for instructions on calculating a variable budget.

If the month has not fully lapsed at the time the application is processed, the budget must reflect the income the household expects to receive for the entire month. See SNAP 7513 for instructions on conversion of this income.

At recertification or when a change or a semi-annual report is processed, the worker must make every effort to anticipate the effect of changes. This may require the calculation of two or more

differing budgets for the same certification period. Weekly or biweekly income will be converted if a full month's income was received. See SNAP 7513.

At any case action, the exact methods used to handle a change anticipated by a household will depend upon the type of change. The methods selected by the worker will not be limited to the methods illustrated in the examples provided below. The method selected must be fully documented.

EXAMPLE 1: A household applies for SNAP benefits on May 12. An interview is conducted on May 25 and verification of earned income is requested. The requested verification is furnished on June 6, but through county error, the application is not approved until July 2. When the application is approved, the worker must consider the household's circumstances during each month in the application period. If the household's income and/or expenses have varied from month to month, a separate budget must be prepared for each month during that period See SNAP 7523.3. Weekly or bi-weekly income will be converted if a full month's income was received. See SNAP 7513.

EXAMPLE 2: (This example shows the proper method for determining if weekly or bi-weekly income is to be converted.) At the application interview on January 15, the household reports a member expects to be laid off sometime in January. If the reported lay off and the date of the last check can be verified, the budget for January will be prepared using only the income the household anticipates receiving in January. If the member will not be receiving a paycheck for each pay period in the month of January, total unconverted income will be used in the January budget.

If the laid-off member will be receiving any holdback checks in February, these checks must appear in the household's February budget. If ESD benefits are scheduled to begin and the household is reasonably certain about the amount of the ESD benefit and when the member is to begin receiving this income, the benefits will included when the budget for February is prepared. Should additional changes be expected, yet another budget must be prepared for the month of March.

EXAMPLE 3: A household is certified for 6 months. At the end of the second month of certification, a new household member is reported. This new member is an individual with disabilities and is to begin receiving SSA disability benefits in the near future. The member will be added to the household but the SSA income

will not be counted in the household's budget unless the member has received an award letter or other correspondence which states the initial month of benefit payment. In this case, the SSA may be added to the household's budget effective with the first month of receipt.

7523 Budgeting Earned Income

SNAP Manual 07/01/98

Normally, earned income will be anticipated by obtaining verification of earnings for the last 30 days, converting the income as instructed in SNAP 7513-7513.2 and including it in the household's budget. However, if the earnings are from a new source or the income is ending or if the income varies widely from month to month, the worker must proceed as instructed in SNAP 7523.1.

NOTE: Complete instructions for verifying and documenting earned incomemay be found in SNAP 5725 - SNAP 5727)

When earnings are from a new source, the household will be asked to provide any check stubs available. (The worker should be alert to check stubs which reflect less than a full week's pay. These checks should not be used to anticipate normal monthly earnings unless the employee typically works less than a full week.) If the worker cannot determine the employee's normal pay from examining the available check stubs, it will be necessary to contact the employer to verify the household's normal working hours, rate of pay, and expected changes. If the employer cannot or will not provide this information, it may be necessary to anticipate income based on the household's statements about expected earnings.

Earnings from a terminated source will not be counted in the household's budget in any month in which these earnings are not received. See SNAP 7512 for additional information.

7523.1 Fluctuating Earned Income

SNAP Manual 11/01/02

To anticipate earned income which varies widely from week to week, the worker must first determine why the earned income fluctuates.

When the fluctuation is caused by some unanticipated event such as, but not limited to, the illness of the employee, a household emergency or unexpected overtime, anticipated earnings should be based on the employee's normal rate of pay. It may be possible to determine the

normal rate of pay by disregarding the earnings for the week or weeks in which the employee did not receive his normal rate of pay.

The earnings for the weeks in which the employee did receive his normal pay will be averaged. The averaged amount will be multiplied by the appropriate conversion figure in order to anticipate a full month's earnings. (See SNAP 7513 - 7513.3 for instructions on income conversion.)

If the information on the remaining check stubs is not adequate to anticipate normal monthly income, the employer should be contacted for information about the employee's normal working hours, rate of pay and expected changes in employment. Based on this information, it may be possible to anticipate the earned income. If the employer cannot or will not provide information about an employee's normal rate of pay and/or hours worked, anticipated earnings will be based on the household's statements about expected earnings.

When paychecks include a one-time payment such as vacation pay or incentive pay, the one-time payment will be excluded when anticipating the employee's pay for upcoming months. If vacation pay is received in a month included in an initial application period, the pay will be included in the budget for that month and then excluded when the budget for subsequent months is prepared. See SNAP 7522. Vacation pay received as a one-time payment after termination or lay off is considered to be a lump sum payment (see SNAP 5409).

Incentive pay received on a regularly recurring basis (weekly, monthly, quarterly, etc.) will be counted as income.

Work incentive payments received upon completion of a job-training program are lump sum payments and, as such, totally excluded as income but counted as a resource. See SNAP 4950 for additional information.

Annual bonuses included in weekly paychecks will be handled as specified in SNAP 5502. Bonuses paid at regularly recurring intervals throughout the year cannot be considered to be annual bonuses. If the month of receipt and amount of the bonus can be anticipated, these payments will be counted as earned income in the month received or prorated over the period of intended use. If an employee has received one bonus payment but does not know if he will be receiving another, the bonus will be considered a lump sum payment and excluded as income but will be considered a resource. See SNAP 4950.

When income fluctuations are caused by variations in the number of hours worked, it must be determined if the employee's earnings normally vary so drastically. If the household states or

the case record reflects that the pay received in the last 30 days accurately represents normal variations in the hours worked by the employee, the worker may use this income to anticipate monthly earnings. (*If the normal pattern of pay includes weeks when little or no pay is received, these weeks must be included when anticipating monthly income.)*

If an employee's income fluctuates to the extent the pay received in the last 30 days does not accurately portray the employee's normal monthly earnings, additional verification of earnings for earlier weeks may be requested. For example, the worker may request the household provide verification of earnings for the past six or eight weeks. The earnings for all six or eight pay periods would be averaged together and the weekly average would be converted as instructed in SNAP 7513.1. (*The household will not be penalized if it is difficult or impossible to obtain this additional verification.* See SNAP 5514.)

When the receipt of earned income is fairly certain but the amount fluctuates, the household also has the option of averaging several months' earnings. See SNAP 7520 for additional information.

When working with income such as farm labor or construction work that fluctuates seasonally, it may be appropriate to base anticipated earnings on earnings from the most recent season. Caution should be exercised when using income from a past season to anticipate current earnings since income may vary considerably from year to year as well as from season to season. For example, a farm worker may have high wages in a prior season that are not reflected in the current season due to heavy rains. Hourly wages may have changed. Changes in hourly wages may be anticipated by determining the number of hours worked at the old hourly rate and anticipating the same number of hours at the new rate.

All decisions regarding the methods used to anticipate fluctuating earned income must be fully documented. See SNAP 7512.1.

7523.2 Wages Held by the Employer

SNAP Manual 07/01/98

When an employee requests that the employer hold his wages for any reason, the wages will be considered income to the household in the month the employer would have otherwise paid these wages.

With the following exceptions, when an employer holds wages as a general practice (even if in violation of the law) such wages will not be counted as income.

EXCEPTION 1: The household anticipates an advance from these wages. (See SNAP 5512 for an explanation of a wage advance.)

EXCEPTION 2: The household is receiving income from wages that were previously held by the employer as a general practice if these wages have not previously been counted as income.

When handling wages held by the employee, the worker must document why the wages were held and whether or not the household anticipates any funds from the employer in lieu of these wages. If funds are anticipated in lieu of held wages, the worker must also document whether these funds are considered to be a wage advance or a loan. (Funds provided as a loan rather than an advance will be excluded as income. When the actual wages are later received, these wages must be counted as income in the month of receipt. See SNAP 5512.)

7523.3 Variable Budgets

SNAP Manual 11/01/02

A variable budget must be prepared when a household is certified for differing benefit amounts during the same certification period. For example, a household is certified on July 1st for a benefit amount of $100 for July and $250 for August.

When an application is approved with a variable benefit amount, the approval must reflect the SNAP benefit amount for the current month. The full certification period will be assigned. The SNAP benefits should extract that night. The next workday, the budget that reflects the benefits for the upcoming month must be keyed.

This process must occur prior to the next regular monthly extract. Therefore, if an application with a variable budget is approved on the last workday of the month, keying of the approval will be delayed until the first workday of the following month. The SNAP benefits for the first month(s) of the certification period will be shown as retroactive benefits. The authorization document must reflect the budget for the benefits to be issued as of the month of extract. Extract will occur via daily issuance.

7524 Determining Eligibility

SNAP Manual 07/01/98

All households other than categorically eligible households and persons age 60 or older and/or individuals with disabilities households must meet gross income limits to participate in the Supplemental Nutrition Assistance Program. See the Glossary for definitions of both

categorically eligible households and persons age 60 or older and/or individuals with disabilities household. The gross income limits may be found on the current SNAP Issuance Charts, Exhibit A.

A household's total gross income is calculated by adding together all gross monthly income as calculated from each non-excluded source including annualized income. Prorated income will be included if the month for which eligibility is being determined is included in the period of intended use. Excluded income will not be used to determine gross income.

Except for the farm loss deduction explained in SNAP 5670, no deductions will be allowed in the calculation of total gross income. The farm loss deduction will be applied to the household's gross income before the gross income pretest is applied.

EXAMPLE: A household making application for SNAP benefits has the following income:

1. Weekly earnings - $250 x 4.334 = $1,084 monthly income (rounded),
2. Bi-weekly worker's compensation payments - $134 X 2.167 = $290monthly income (rounded), and
3. TEA - monthly income of $139

$1,084 + $290 + $139 = $1,513. The household's total gross income is $1,513.

If the household's gross income exceeds the pretest income shown on Exhibit A for the appropriate household size, the household is ineligible and the application may be denied at this point. See SNAP 7525.

7524.1 Net Income Eligibility

SNAP Manual 07/01/98

All households, except categorically eligible households, must meet the net income eligibility standards that appear on the SNAP Issuance Charts, Exhibit A. (See SNAP 8961-8963 for information about budgeting income for categorically eligible households.)

Net income is the household's income after all allowable deductions. These deductions are applied to the household's gross monthly income in a series of calculations known as a "SNAP budget." Not all deductions may be allowed for all households. For example, the medical deduction is allowable only for persons age 60 or older and/or individuals with disabilities members. See SNAP 7610 for instructions on calculation of a SNAP budget.

7525 Application Denial

SNAP Manual 11/01/02

When a SNAP application is denied because income exceeds the gross or the net income limits, the household's income must be documented. Documentation must include, at a minimum, all figures used to calculate the household's gross and/or net income and income verification, if available. Instructions for documentation of income appear in the following sections of policy: Excluded Income - SNAP 5416 Earned Income - SNAP 5516, Self-Employment Income - SNAP 5650, and Unearned Income - SNAP 5727. A denial notice must be issued to the household. In most cases the denial notice will be generated automatically.

7600 Calculation of A Budget

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Net income is the household's income after all allowable deductions are applied to the gross monthly income in a series of calculations normally referred to as a "SNAP budget". Not all deductions may be applied to all households. For example, only persons age 60 or older and/or individuals with disabilities households are allowed medical deductions.

All deductions are listed below in the chart on the following page in the order of application with a brief summary and a policy reference provided.

Deduction	Description	Reference
Earned Income Deduction	This is a percentage of the household's total gross earned income as set by federal law. See the SNAP Certification Current Standards (Appendix D). When an overpayment is prepared, an earned income deduction is not allowed for any portion of a household's earned income that the household failed to report.	SNAP 6200 SNAP 15400
Standard Deduction	This is a set amount mandated by federal law and applied to ALL SNAP budgets. The amount of the standard deduction depends upon the household size. For example, the standard deduction for a household size of one is $134, but the standard deduction for a household size of six is $168. See the SNAP Certification Current Standards (Appendix D).	SNAP 6300
Farm Loss Deduction	Certain households with income from farming operations may deduct losses that occurred in the farming operation from other countable income.	SNAP 5670
Dependent Care Costs	This is a deduction for the cost of care for a dependent child or a disabled adult if the care is necessary for a household member to work or to search for work. There is a maximum allowed for dependent care costs. See the SNAP Certification Current Standards (Appendix D).	SNAP 6400
Child Support Deduction	This is a deduction for legally obligated child support paid by a household member to an individual who is not a member of the household.	SNAP 6550
Medical Deductions	Allowable medical costs over $35.00 may be deducted if incurred by a household member age 60 or older and/or individual with disabilities.	SNAP 6500
Excess Shelter Costs	Allowable shelter costs in excess of 50% of the household's adjusted income (after all other deductions) are deductible for persons aged 60 or older and/or individuals with disabilities households. Regular households are also entitled to this deduction; however, excess shelter costs may not exceed a maximum amount. See the SNAP Certification Current Standards (Appendix D).	SNAP 6600

7610 SNAP Budget Process

SNAP Manual 06/01/05

Step 1. **Gross Income Pretest.**

All households except persons aged 60 or older and/or individuals with disabilities households (see SNAP 1910) and categorically eligible households (see SNAP 1920) must meet the gross income pretest.

Is the household exempt from the gross income pretest? ❒ YES ❒ NO

If yes, go directly to Step II on the following page.

If no, complete the pretest below:

1. Enter the household's total gross non-excluded earned income. $_____

HINT: If there is self-employment income, you must determine the monthly net self-employment income before you can apply the pretest.

2. Enter the household's total gross non- excluded unearned income. $_____
3. Add line 1 and line 2. Enter total gross income here. $_____
4. Enter the farm loss deduction if the household is entitled to one. $_____
5. **Subtract line 4 from line 3. Enter here. This is the countable gross income. $_____**
6. Enter the pretest income from the issuance chart here. $_____

Does the household's countable gross income exceed the pretestincome? ❒ YES ❒ NO

If yes, the household is ineligible. Deny the application or close the case.

If the household's countable gross income is equal to or less than the pretest income, go to Step 2.

Step 2. **Calculate Adjusted Income**

1. Enter the total gross earned income (Step I, line 1). $_____
2. Enter the percentage of the total gross earned income allowed as the earned income deduction. See Appendix D (Current Standards). $_____
3. Multiply total gross earned income by the current percentage and enter the result here. This is the earned income deduction. $_____
4. Subtract line 3 (earned income deduction) from line 1(total gross earned income). Enter result here. This is the net earned income. $_____
5. **Enter total gross unearned income (Step I, line 2). $_____**

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6. **Add line 4 (net earned income) and line 5 (total unearned income.) Enter result here. $_____**
7. If there is a farm loss deduction (Step 1, line 4), enter the amounthere. $_____
8. Enter the standard deduction here. $_____
9. If there is dependent care deduction, enter the amount here. $_____
10. If there is a medical deduction enter the amount here. (See SNAP 6500.) $_____
11. If there is a child support deduction, enter the amount here. (See SNAP 6550.) $_____
12. Total deductions in lines 7-10. Enter result here. $_____
13. **Subtract line 12 from line 6. Enter resulthere.**

This is the adjusted income. $_____

Step 3. **Excess Shelter Costs**

1. Enter household's total monthly shelter costs here. $_____
2. Divide the adjusted income (Step II, line 13) by two. Enter the result here. $_____
3. Subtract line 2 from line 1. Enter result. If line 2 is equal to or greater than line 1, enter 0. This is the household's shelter deduction. Unless the household has an age 60 or older or an individual with disabilities household member, do not exceed the maximum specified in Appendix D. $_____

Step 4. **SNAP Benefit Amount**

1. Enter adjusted income (Step II, line 13). $_____
2. Enter excess shelter costs (Step III, line 3). $_____
3. **Subtract line 2 from line 1. Enter result. This is the net SNAP income. $_____**
4. Enter maximum SNAP benefit amount for household size from Issuance chart. $_____
5. Multiply net SNAP income (line 3) by 30%. Enter result $_____
6. **Subtract line 5 from line 4. Enter result. This is the household's monthly SNAP benefit amount. $_____**

7600 Calculation of A Budget

7610 SNAP Budget Process

Rounding Chart / Budget Examples

Item to be Rounded	Rounding Rules
Earned Income	• Do **not** round individual pay amounts (e.g. – weekly or biweekly pay). • Do round monthly pay from each separate job up or down to the nearest dollar.
Unearned Income	• If more than one household member has income from the same source, do not round individual income amounts. • Do round total monthly income from each source up or down to the nearest dollar.
Farm Loss Deduction	• Round the monthly deduction up or down to the nearest dollar.
Dependent Care Deduction	• Do **not** round weekly or biweekly payments. • Do round the monthly total up or down to the nearest dollar.
Medical Deduction	• Do **not** round individual payments, bills, etc. • Do **not** round amounts calculated for individual expenses. • Do **not** round total medical costs until the $35.00 benchmark has been applied. • Do round the amount calculated as the monthly medical deduction up or down to the nearest dollar.
Child Support Deduction	• Do **not** round individual payments. • Do round amount calculated as the monthly child support deduction up or down to the nearest dollar.
Shelter Costs	• Do **not** round individual shelter costs. (This includes utility costs for households using actual utility costs.) • Do round amount calculated as total monthly shelter cost up or down to the nearest dollar.

7700 Examples of SNAP Budgets

SNAP Manual 11/01/02

Examples of calculating prospective SNAP budgets with various kinds of income appear in SNAP 7710-7740. All examples are based upon standards and benefit amounts effective in October 2002. If necessary, check SNAP Certification Current Standards (Appendix D) and the Food Basis of Issuance Chart for current figures.

7710 Earned Income

SNAP Manual 11/01/02

This household's only source of income is earnings from one job. They provide as verification their four most recent check stubs. The county is calculating a prospective budget to determine eligibility. The check stubs are as follows:

Hours	Gross
40	$ 240.00
39	234.00
38.50	231.00
40	240.00

The household consists of a man, age 25, his wife, age 24, and their three children ages 6, 4, and 1. The household size is five.

1. Since there is no age 60 or older and/or individual with disabilities household member and the household is not categorically eligible, the household is subject to a gross income pretest.
    a. Add together the gross income.
        $240.00
        234.00
        231.00
        +240.00
        $945.00
    b. Divide this figure by 4 to obtain an average amount.
        $945.50 / 4 = $236.25
    c. Multiply the average by 4.334:
        $236.25 x 4.334 = $1,023.91 (rounded to $1,024)

7700 Examples of SNAP Budgets

7710 Earned Income

$1,024 is compared to the pretest income for a household size of 5 from the "Exhibit A" - $2,794 effective 10-1-10. The household is eligible based upon the gross income pretest.

2. A budget must be calculated to determine net income eligibility. This household:
   a. Has no allowable dependent care expenses;
   b. Is not eligible for a medical deduction;
   c. Pays rent in the amount of $200 per month; and
   d. Is entitled to and elected to use the utility standard.

Budget calculations follow:

$1,024.00 Gross Income
X 20%
$ 204.80 Earned Income Deduction (Rounded to $205)

$1,024.00 Gross Income
- 205.00 Earned Income Deduction (rounded)
$ 819.00 Net Earned Income
- 179.00 Standard Deduction
$ 640.00 Adjusted Income

Shelter Costs

$200.00 Rent
+271.00 Utility Standard
$471.00 Total Shelter Costs
-320.00 One-half Adjusted Income
$151.00 Excess Shelter Deduction

$640.00 Adjusted Income
- 151.00 Excess Shelter Deduction
$489.00 Net Monthly Income

$489.00 is compared to the maximum net income for a household size of five from Exhibit A effective 10-1-10 - $2,150.00. The household is eligible based upon net income.

3. The household's monthly SNAP benefit amount must be determined. These calculations follow:
   $489.00 Net Monthly Income
   X 30%
   $146.70 Reduction Rate*

$793.00 Maximum SNAP Benefits for Household of 5
-147.00 Reduction Rate (rounded*)
$646.00 Monthly SNAP Benefits

*When calculating the reduction rate, always round up to the nearest dollar.

7720 Unearned Income

SNAP Manual 11/01/02

This household is composed of a 62-year-old man and his wife, age 59. He receives a Social Security check of $456.00 per month. She receives a retirement check from the State in the amount of $341.00 per month. Since one of the household members is aged 62, no gross income pretest will be made.

1. A budget will be calculated to determine net income eligibility. Thehousehold:
   a. Does not have allowable medical expenses which exceed $35.00;
   b. Does have a mortgage payment (including taxes and insurance) of $335.00; and
   c. Does have actual utility expenses anticipated to be $225.00 permonth.

   Budget figures follow:

   $456.00 Social Security
   +341.00 State Retirement
   $797.00 Total Gross Income
   - 142.00 Standard Deduction
   $655.00 Adjusted Income

   Shelter:

   $335.00 Mortgage payment
   +225.00 Utilities
   $560.00 Total Shelter Costs
   - 328.00 50% Adjusted Income
   $232.00 Excess Shelter

   $655.00 Adjusted Income
   -232.00 Excess Shelter
   $423.00 Net Monthly Income

   $423.00 is compared to the maximum net income for a household size of two Exhibit A - $1,215.00. The household is eligible based on net income.

2. The household's monthly SNAP benefit amount will be determined. These calculations are:

   $423.00 Net Income
   X 30%
   $126.90 Reduction Rate*
   $367.00 Maximum SNAP Benefits for a household of 2
   -127.00 Reduction Rate (rounded*)
   $240.00 Monthly SNAP Benefits

*When calculating the reduction rate, always round up to the nearest dollar.

7730 Earned and Unearned Income/Dependent Care & Excess Shelter

SNAP Manual 10/01/08

This household is composed of two sisters and their children. One of the sisters works. She has three children ages 2, 4, and 7. The other sister receives child support of $50.00 per week for her two children aged 6 months and 18 months. The employed sister is paid semi-monthly. She provides her two most recent check stubs as verification. The gross amount of pay was:

The First $580.00
The Fifteenth $600.00

This budget will be calculated prospectively to determine eligibility. *This example is based on the income limits and benefit amounts in effect as of 10-01-08.*

3. This household does not contain an age 60 or older and/or individual with disabilities household member; and therefore, must meet the gross income pretest. The household's gross monthly income will be determined by adding together the gross monthly earned and unearned income.

   Earned Income
   $580.00
   +600.00
   $1180.00 **Gross Earned Income****

   **This income is not converted since it is paid semi-monthly.

   Unearned Income
   $ 50.00 Weekly Child Support
   X 4.334 Conversion for weekly income
   $216.70 Gross Unearned Income ($217 rounded)

$ 1180.00 Gross Earned Income
+ 217.00 Gross Unearned Income
$1, 397.00 Gross Monthly Incomes

This income will be compared to the pretest income for a household size of seven from Exhibit A. The household is eligible based upon the gross income pretest.

2. A budget will be calculated to determine net income eligibility. The household's expenses are:
   - Dependent care paid by the sister who works - $90.00 per week for two children
   - Rent - $300.00 per month
   - The utility standard - $247.00

The budget is:
$ 1180.00 Gross Earned Income
X 20%
$ 236.00 Earned Income Deduction

$ 1180.00 Gross Earned Income
- 236.00 Earned Income Deduction
$ 944.00 Net Earned Income
+ 217.00 Gross Unearned Income
$1, 161.00 Total Gross Income
- 205.00 Standard Deduction for a household size of seven
$ 956.00 Adjusted Gross Income

Dependent Care
$ 90.00 Weekly amount for both children.
$90.00 x 4.334 = $390.06 dependent care deduction
$956.00 Adjusted Gross Income
- 390.00 Dependent Care
$566.00 Adjusted Income

Shelter
$300.00 Rent
+271.00 Utility Standard
$571.00 Total Shelter Costs
- 283.00 50% Adjusted Income
$288.00 Excess Shelter

$566.00	Adjusted Income
- 283.00	Excess Shelter (maximum allowed is $458)
$ 283.00	**Net Monthly Income**

This income is compared to Exhibit A - net income for a seven-person household - $3,605. The household is eligible based upon net income.

3. The household's monthly SNAP benefit amount will be determined. These calculations are:

$283.00	Net Monthly Income
X 30%	
$84.90	**(Rounded $85) Reduction Rate***

$1052.00	Maximum SNAP Benefits for a 7-person household
- 85.00	Reduction Rate
$967.00	**Monthly SNAP Benefit**

*When calculating the reduction rate, always round up to the nearest dollar.

7740 Child Support Deduction

SNAP Manual 07/01/98

This household is composed of a husband, a wife and two children. The husband works for the state and is paid $900 bi-weekly. The wife is not employed. This budget will be calculated prospectively to determine eligibility.

The household does not contain an age 60 or older and/or individual with disabilities household member. Gross income eligibility guidelines must be met.

Calculating Gross Income

$900 bi-weekly earnings X 2.167 = $1,950.30 rounded to $1,950.

The gross pay is $1,950. This income will be compared to the pretest income for a household size of four from Exhibit A - $2,389. The household is eligible under the gross income eligibility guidelines.

Calculating Net Income

The household must also meet net income guidelines. A budget must be calculated to determine the household's net income.

7700 Examples of SNAP Budgets

7740 Child Support Deduction

The household's expenses are:

1. Child Support - $100 per week paid under a court order to an ex-wife. (The average amount paid is $408 per month.)
2. Mortgage payment - $525 per month
3. Utility Standard - $202 permonth.

The budget is:

$1,950 Gross Earned Income
x 20%
$390.00 Earned Income Deduction

$1,950.00
- 390.00 Earned Income Deduction
$1,560.00 Net Earned Income
- 134.00 Standard Deduction for a Household Size of Four
$1,426.00 Adjusted Gross Income
- 408.00 Child Support Deduction
$1,018.00 Adjusted Income

Shelter

$ 525 Mortgage Payment
+ 271 Utility Standard
$ 796 Total Shelter Costs
- 509 50% Adjusted Income
$ 287 Excess Shelter (Maximum allowed $458)

$1,018.00 Adjusted Income
- 287.00 Excess Shelter
$ 731.00 Net Monthly Income

This income is compared to Exhibit A, net income for a four-person household - $1,838. The household is eligible based on net income.

Calculating SNAP Allotment

To calculate the amount of the monthly SNAP benefit amount:

$ 731.00 Net Monthly Income
x 30%
$ 219.30 (Rounded $219)Reduction Rate *

7700 Examples of SNAP Budgets

7740 Child Support Deduction

$ 668	Maximum SNAP Benefit Amount
- 219	Reduction Rate
$ 449	**Monthly SNAP Benefits**

*When calculating the reduction rate, always round up to the nearest dollar.

8100 Initial Application Process – Summary

SNAP Manual 05/01/2022

The following applications are initial applications:

- An application from a household that has never received Supplemental Nutrition Assistance Program (SNAP) benefits.
- An application from a household whose certification period expired if the household does not reapply within thirty (30) days of the last day of the last month of certification.
- An application from a household whose SNAP case closed if the household does not reapply within thirty (30) days from the last day of the month of closure.

The initial application process begins the day an application is submitted to the agency in person, by mail, or electronically and ends when the application is approved or denied. The date of application is the date the application is logged as received by the agency. Eligible households that complete the application process will participate in the Program as soon as possible, but no later than thirty (30) calendar days from the application date. Applications not approved or denied by the thirtieth day must be evaluated to determine if the household or the agency was at fault for the delay in processing the application. If the agency is at fault, the application will continue to be processed. If the household is at fault, the application will be denied. See SNAP 8530.

The application process consists of the following actions:

1. Registering the application using the date of application as the day the Department of Human Services (DHS) received the application. Electronic applications received after the close of business will use the following workday as the application date.
2. Providing each adult household member with assistance completing voter registration application as explained in the Voter Registration Appendix.
3. Interviewing the applicant (face-to-face, telephone, or virtual).
4. Ensuring declared household composition is correct and that all members are eligible.
5. Work registering members who are not exempt from work requirements.
6. Determining that all members have declared or applied for a Social Security number (SSN).
7. Determining if the household is eligible based on income and resources.
8. Obtaining all necessary verification and assisting the household to obtain verification when needed.
9. Completing all necessary forms, routing them as required by the agency, and scanning into the electronic case file as specified.

10. Issuing forms and notices to the household as specified.

SNAP 8000 explains the process of filing an application, registering an application, interviewing a household, and determining fault when an application is delayed. The eligibility determination process for income and resources is covered in SNAP 7100.

8120 The Household's Rights at Application

SNAP Manual 05/01/2022

A household requesting to file an application for Supplemental Nutrition Assistance Program (SNAP) benefits has the following rights:

1. The right to receive, upon request, an application, and information to apply online. Requests for applications may be submitted in writing, in person, by telephone, or through another agency or individual.
2. The right to receive, upon request, the application in an alternative format such as large print or Spanish.
3. The right to file an incomplete application in person, by mail, electronically, or through an authorized representative.
   *A valid SNAP application must contain the applicant's name, address, and a signature deemed acceptable by the agency of a household member or the household's authorized representative. An application that does **not** contain this information will **not** be registered and will be returned to the household if possible.*
4. The right to receive, upon request, assistance in completing the application, including providing an interpreter when needed.
5. The right to file an application during regular office hours on the same day the household initially contacts the county office to request an application.
6. The right to complete a voter registration application as explained in the Voter Registration Appendix.

8130 The Agency's Responsibilities

SNAP Manual 01/01/2021

The agency has the following responsibilities:

1. To prominently display the following posters:
   - "And Justice for All" (AD-475A)
   - "USDA Food Assistance" (FNS-200)
   - The Client Assistance Hotline Number poster

These posters must be displayed in at least each waiting area designated for Supplemental Nutrition Assistance Program (SNAP) benefit applicants and recipients.

2. To provide SNAP benefit applications.
   Households and outreach groups requesting a SNAP application may also be directed to the Access Arkansas Citizen Portal. Applications may be requested in any manner.
3. To encourage each household to file an application on the same day the household or its representative makes initial contact with the county office in person or by telephone and expresses interest in obtaining SNAP assistance.
4. To provide each household with voter registration assistance as described in the Voter Registration Appendix.
5. To advise each household of their rights as described in SNAP 8120.
6. To advise each household that the household may file an application before the date of the scheduled interview.
7. To screen applications to determine if the household is entitled to expedited services as instructed in SNAP 8170.
8. To record on the application the date the application is received.
9. To register any valid application received by the agency within two (2) business days. See SNAP 8120.3.
   All completed applications must be registered in the eligibility system to allow monitoring. See SNAP 8131. *For registration purposes, the date of application will be the date that an application containing at least this minimum information is received in the DHS county office or was submitted electronically*. See SNAP 8120.3.
10. To assist the household in obtaining required verification, if the household is cooperating in the application process as explained in SNAP 8300.
11. To advise applicant households that nutrition education is available free of charge.

8131 Monitoring Timeliness

SNAP Manual 05/01/2022

Supplemental Nutrition Assistance Program (SNAP) benefits must be available to eligible households no later than the thirtieth (30) day of the application period. An “eligible household” is one that has completed the required interview and provided all required verification to determine eligibility.

If the household provides the required verification on or before the thirtieth (30) day of the application-processing period, the application will be approved if eligible.

If a household provides adequate information for the eligibility worker to determine that the household is ineligible, the application will be denied. Households found to be ineligible must be sent a notice of denial as soon as possible, but no later than thirty (30) days following the date the application was filed.

Applications from households that miss scheduled interviews must be held for the full thirty-day period. See SNAP 8230.

SNAP benefit application statistics must be monitored daily to ensure that timeliness standards are met.

8140 Contacting the County Office

SNAP Manual 01/01/2021

A household living outside of Arkansas that contacts a county office in Arkansas will be advised to apply for Supplemental Nutrition Assistance Program (SNAP) benefits in their state of residence. See SNAP 1300.

8142 Applicants Who Move out of the State

SNAP Manual 05/01/2022

When a household reports moving to another state, the pending Supplemental Nutrition Assistance Program (SNAP) application will be denied, and the household will be advised to reapply in the new state of residence. An automated notice will be mailed to the household stating the date and reason for the denial. Case records are not transferred out of state.

8150 Withdrawing Applications

SNAP Manual 05/01/2022

A household may voluntarily withdraw an application for Supplemental Nutrition Assistance Program (SNAP) benefits at any time before an eligibility determination. The request may be made in either written or oral form. The reason for the withdrawal, if any was stated by the household, and that contact was made to confirm the withdrawal must be documented in the eligibility system. The household shall be advised of its right to reapply at any time after withdrawing the application.

A client notice will be issued to the household to confirm that the application has been withdrawn per the household's request.

Completed SNAP applications are not returned to any household that withdraws an application.

8170 Screening Applications

SNAP Manual 05/01/2022

All Supplemental Nutrition Assistance Program (SNAP) applications are to be screened by county office staff at the time of submission to determine if the household is entitled to expedited or Elderly Simplified Application Project (ESAP) services. See SNAP 9300-9400.

Households participating in ESAP are composed of members aged sixty (60) or older, or adults living with a disability. These households do not receive a child support deduction or earned income, and do not include minor dependent children aged seventeen (17) or younger. Any household that meets these criteria will be certified for thirty-six months.

During the screening process, any application that does not contain at least a name, address, and a signature deemed acceptable by the agency will be returned to the applicant with a notice. The agency will retain a copy of the incomplete application and the notice, making sure to document the actions taken in the eligibility system.

8200 The Application Interview

SNAP Manual 05/01/2022

A certified Department of Human Services (DHS) eligibility worker must conduct an interview with each Supplemental Nutrition Assistance Program (SNAP) benefit applicant. All households will receive a telephone or virtual interview unless the household requests a face-to-face interview. The interviewee may be the applicant (SNAP 1500), his or her spouse, another responsible household member, or the household's authorized representative. See SNAP 900.

The applicant may bring anyone to the interview. If the applicant, or any accompanying person, becomes physically or verbally abusive to the worker during the interview process, the worker may terminate the interview and reschedule another time for completion of the interview. When applicants appear to be under the influence of intoxicants or are mentally impaired to the extent that an interview cannot be conducted, the worker may request the interview be held with another household member or an authorized representative.

Any time the eligibility worker finds it necessary to terminate an interview or request that someone else complete the interview, all circumstances surrounding the incident will be fully documented and reported to agency management staff.

8210 Same Day Interviews

SNAP Manual 01/01/2021

Same day interviews are those interviews conducted with the household the same day the application is filed. Same day interviews may be face-to-face, by telephone, or virtual. Same day interviews relieve the agency of routinely assigning an appointment time for the interviews. The eligibility worker must document the date of the interview in the electronic case record.

8220 Interviews Scheduled at a Later Date

SNAP Manual 01/01/2021

When it is not possible for an eligibility worker to complete an interview with an applicant on the same day the application is submitted, the Department of Human Services (DHS) county office must schedule an interview for the applicant. Each county office must have a system in which appointments are assigned in a specified manner. The county must assign each household a specific date and time and each applicant must be advised of the date and time on which he or she must return for an interview. See SNAP 9420.

8230 Scheduling Interviews

SNAP Manual 05/01/2022

An interview must be scheduled upon receipt of an application unless an interview is completed on the same day the application is filed. All interviews must be scheduled as quickly as possible. Eligible households must be given an opportunity to participate in the Supplemental Nutrition Assistance Program (SNAP) within thirty (30) days. Therefore, interviews should be scheduled no later than twenty (20) calendar days from the date of application. When this is not possible, the interview should be scheduled at the first available appointment time. If a household fails to appear for a scheduled interview, no additional interviews will be scheduled unless requested by the household.

The Department of Human Services (DHS) county office may not deny a household's application prior to the thirtieth day after the date of application if the household fails to appear for the first scheduled interview. If the household requests a second interview during the thirty (30) application-processing period and is determined eligible, the household's benefits must be calculated from the application date. See SNAP 8520.

8240 Conducting Interviews

SNAP Manual 05/01/2022

At a minimum, an interview of an applicant must cover the topics and complete the actions listed below:

1. The agency must assist applicants in completing the application if necessary.
2. The agency must review the information on the application with the applicant and resolve any unclear or inconsistent information.
3. The applicant must be advised that Social Security numbers (SSN) or applications for an SSN must be declared and verified for all household members included in the Supplemental Nutrition Assistance Program (SNAP) case.
   The use of the SSN will also be explained. See SNAP 2100.
4. Applicants must be advised of their right to a confidential interview.
5. Applicants must be advised of their rights and responsibilities.
   This includes their rights under the Privacy Act that restrict the release of information in the case record to the conditions specified (SNAP 530), their right to review the contents of their case record (SNAP 540) their right to an administrative hearing (SNAP 16300), and their responsibility to cooperate during the interview and certification process. A

copy of the publication, Your Rights and Your Responsibilities, will be given to the household.

6. The applicant must be advised that all SNAP cases are subject to review by the Quality Assurance Unit and that failure to cooperate with the Quality Assurance Unit will result in case closure.
7. The eligibility worker must request needed verification and tell the applicant how to return this information to the county office.
    - *The worker will assist the household in obtaining the needed verification when the worker becomes aware that assistance is needed. (The household is not required to request assistance). A business reply mail envelope will be provided to the applicant to return the verification, or the applicant may return the information in person. S*ee SNAP 317.2.
    - *For households eligible for the Elderly Simplified Application Project (ESAP) the worker is required to gather all the necessary documentation and verifications on the household's behalf.*
8. The eligibility worker will advise the applicant of the time frames under which his or her application will be processed.
9. The eligibility worker will advise the applicant of the consequences of a voluntary quit as explained in SNAP 3413.
    - The eligibility worker will be required to explain and discuss Requirement to Work (RTW) with the households that have members that must meet the work requirement.
10. The agency will be required to explain SNAP-Education (SNAP-Ed) to the household.

8250 Interview Options

SNAP Manual 05/01/2022

All applicants may receive a telephone or virtual unless the household requests a face-to-face or virtual interview.

The household may choose to appoint an authorized representative to appear at the interview.

The use of a telephone interview, virtual interview, or an interview by home visit will not affect the length of the certification period assigned to the household. See SNAP 8710.

Elderly Simplified Application Project

Elderly Simplified Application Project (ESAP) applicants must complete a request for assistance. The application process begins the day an application is submitted to the county office in

person, by mail, or electronically and ends when the application is approved or denied. Interviews for these households will be conducted by telephone unless the household requests a virtual or face-to-face interview.

8260 Interviews with Authorized Representatives

SNAP Manual 05/01/2022

Interviews with authorized representatives will be conducted when requested by the household. An authorized representative is an individual designated on the application, *Consent for an Authorized Representative*, or in writing by the case head, his or her spouse, or another responsible household member.

Interviews with authorized representatives are conducted in the same manner as interviews with a member of the Supplemental Nutrition Assistance Program (SNAP) household. For this reason, the authorized representative must be an individual familiar with the household's circumstances.

The household is liable for any over issuance of SNAP benefits resulting from erroneous information given by the authorized representative. Therefore, if possible, the case head, his or her spouse, or another responsible household member should prepare the application or should review the application before its submission to the county office. See SNAP 900-983.

8300 Household Cooperation

SNAP Manual 01/01/2021

Before eligibility can be determined, the household must:

- Complete and sign the application;
- Cooperate in the interview process; and
- Verify certain information on the application.

Refusal to complete any of these processes will result in denial of the application.

Refusal to declare or apply for a Social Security number (SSN) for any household member will result in the disqualification of that member at the time of the refusal. See SNAP 2200.

A household able to cooperate that clearly will not take the actions required to complete the processing of the application for Supplemental Nutrition Assistance Program (SNAP) benefits is considered to have refused to cooperate.

If there is any question about whether a household has refused or failed to cooperate, the application will not be denied, and the Department of Human Services (DHS) county office will assist the household in obtaining all necessary information.

No household will be denied SNAP benefits solely because someone outside the household failed to cooperate with a request for verification. The term "outside the household" will not apply to household members who are ineligible students, ineligible aliens, or to individuals disqualified for one (1) of the following reasons:

- Intentional program violation
- Failure to provide an SSN
- Noncompliance with the work registration requirements
- Noncompliance with the workfare requirements
- Noncompliance with the requirement to work

Households denied for refusal to cooperate may reapply, but eligibility cannot be determined until the needed cooperation is provided. If the household applies sixty (60) days following the most recent application date, the household's eligibility may be determined based on the household's current circumstances. See SNAP 11110.

8500 Normal Processing Standards

SNAP Manual 05/01/2022

The normal processing standard for an initial application for Supplemental Nutrition Assistance Program (SNAP) benefits is thirty (30) days. Eligible households that complete the initial application process must be given an opportunity to participate in SNAP as soon as possible, but no later than thirty (30) calendar days following the date the application was filed. Day one (1) of the application-processing period is the day after the application was filed.

A paper application is filed the day the county office receives an application containing at least the applicant's name, address, and the signature of the applicant or a signature deemed acceptable by the agency, a responsible household member, or the household's authorized representative.

An online application is filed on the day the application is submitted through Access Arkansas or on the following workday if the application is submitted after the close of business, on a weekend, or holiday.

An application that does not contain the applicant's name, address, and signature deemed acceptable by the agency of the applicant of a responsible household member, or the household's authorized representative, is not a valid application and will not be registered. See SNAP 8100 - 8141.

At the time of the application interview, the household will be issued a *Request for Information* if the application is delayed while waiting for additional information. For households eligible to participate in the Elderly Simplified Application Project (ESAP), the eligibility worker must issue a Request for Information and gather any necessary verification on the household's behalf.

Applications pending at the end of the processing period must be evaluated to determine if the household or the agency is responsible for the delay.

If a household provides adequate information for the eligibility worker to determine that the household is ineligible, the application will be denied. Households found to be ineligible must be sent a notice of denial as soon as possible, but no later than thirty (30) days following the date the application was filed. Applications from households that miss scheduled interviews must be held for the full thirty (30) day period. See SNAP 8230. If the thirtieth day falls on a weekend or holiday, the notice of denial must be sent on the first workday after the thirtieth day.

Only timely applications may use this method of denial. Applications denied after the thirtieth day without a pending notice will not be backdated to the thirtieth day.

When an application remains pending on the thirtieth day because the eligibility worker lacks sufficient information to determine eligibility, the county office must review that application and any information found in the case record to determine whether the agency or the applicant is at fault for the delay in processing the application.

Full instructions for determining fault and taking corrective actions can be found in SNAP 8506-8540. If the county is at fault for the delay in processing, the application will not be denied. Instead, the application will be held for up to thirty (30) additional days from the date of application while the county office or the household takes any actions necessary to complete the application process.

A delay will be considered the fault of the household if the household has failed to complete the application process even though the county office has taken all required actions. If the household is at fault for the delay in processing the application, the application will be denied on the thirtieth day or if the thirtieth day falls on a weekend or holiday, the first workday after the thirtieth day.

For a full sixty (60) calendar days after the date of application, the applicant retains his or her right to complete the application by supplying all needed information.

The household will not be required to either submit a new application or have a second interview. If the household reports any changed information, the change must be acted upon before approval of the application.

8501 Scheduling Appointments

SNAP Manual 05/01/2022

Households should be assigned an appointment for an interview within twenty (20) days of the date of application. If a household misses this appointment, another appointment will be scheduled only upon request. If a household misses an appointment for an interview assigned within twenty (20) days of the date of application and does not request another by the thirtieth (30) day, the application will be denied effective the thirtieth day (30). See SNAP 8501.1. Day one (1) is the day following the date the application is received by the county office. See SNAP 8210.

All applications submitted online will be granted a telephone interview unless the household requests a face-to-face or virtual interview.

8501.1 Missed Interview

SNAP Manual 05/01/2022

A *Notice of Missed Appointment* will be mailed to the household if the household misses an initial appointment for an interview regardless of whether the household requests another appointment. At initial application, the *Notice of Missed Appointment* must inform the applicant the household missed the scheduled interview and that the household is responsible for contacting the local office to reschedule the interview. This notice should be sent as soon as possible after an appointment has been missed, but no later than one (1) day prior to denying the application.

A household not being available to take a cold call interview does not meet the definition of a missed appointment.

8502 Time Frames for Processing Approvals

SNAP Manual 01/01/2021

Eligible households that complete the application process will be provided an opportunity to participate as soon as possible, but no later than thirty (30) days following the date of application.

8503 Time Frames for Processing Denials

SNAP Manual 05/01/2022

Applications submitted by ineligible households will be denied as soon as possible. Applications submitted by households that fail to appear for an interview scheduled by the twentieth day and do not request another appointment will be denied effective the thirtieth day. If the thirtieth day falls on a weekend or holiday, the application may be denied on the first workday following the thirtieth day. The thirtieth day will be entered as the effective date of the denial.

Households that fail to provide needed verification at the time of the application interview must be allowed until the end of the thirty-day application-processing period to provide the needed verification, unless the first interview is scheduled after the twentieth day of the application processing period. When the first interview is scheduled after the twentieth day and additional verification is requested, the application must be held pending for up to ten (10) additional days to await the submission of the requested information. Households must be allowed at least ten

(10) days to provide required verification, even if an application goes over thirty (30) days and is classified as overdue.

When an application remains pending on the thirtieth day because the eligibility worker lacks enough information to determine eligibility, the county office must review the application to determine whether the county office or the applicant is at fault for the delay in processing the application. See SNAP 8506-8540. A notice of denial must be sent no later than the thirtieth day following the date of the application. On the denial notice, the effective day of denial (the denial date) will be the thirtieth day. Even if the thirtieth day falls on a weekend or holiday, the effective date remains the date of the thirtieth day. Denials should be entered into the system no later than the first workday following the thirtieth day and no earlier than the thirtieth day.

8504 Contents of Denial Notice

SNAP Manual 01/01/2021

When a household's application is denied, a notice explaining the action will be sent to the household. In most instances, an automated notice should be sent to the household. If the denial is based upon the household's failure to submit requested information within thirty (30) days of the date of application, the household retains the right to have the application reinstated by submitting all requested information within sixty (60) days from the date of application. See SNAP 8506.

The *Notice of Action* must advise the household of the following information:

- The application has been denied and the reason for the denial.
- What action the household must take to reactivate the application if any.
- If the application was denied for failure to provide requested information within thirty (30) days, the household may continue the application process without submitting another application until the sixtieth day of the application period by providing the required information.
- That the household must submit a new application if at the end of the sixty (60) day period the household has not taken the needed action, but still wishes to participate in Supplemental Nutrition Assistance Program (SNAP).

8505 Summary of Actions on Application Approvals/Denials

SNAP Manual 05/01/2022

An application for Supplemental Nutrition Assistance Program (SNAP) benefits may be completed as soon as all requirements for an interview, verification, work registration, and providing a Social Security number (SSN) are met. See SNAP 9440-9446.

When a household is found eligible to participate in the program, the worker will complete the following actions:

1. If the applicant is present, he or she will be verbally advised of the determination of eligibility, the length of the period of certification, and the SNAP benefit amount.
2. A *Change Report Form*, and a *Change Report Addendum: The Reporting Requirements* will be issued to the household. If the household will also be subject to semi-annual reporting, the pamphlet, *SNAP Semi-Annual Reporting* must be issued to the household. When applicable, the semi-annual reporting process must also be verbally explained to the household.
3. The case will be authorized for issuance of benefits.
4. An approval notice must be issued to the household.

If the household is ineligible, the eligibility worker will complete the following actions:

1. If the applicant is still present, he or she will be verbally advised of the reason for ineligibility and the household's rights to an administrative hearing. A *Notice of Action* will be issued to the household. Either an automated or a manual notice may be issued. The application will not be returned to the household.
2. The denial will be keyed via the eligibility system.

8506 Pending Applications

SNAP Manual 01/01/2021

At the time of the application interview, the eligibility worker may find that a Supplemental Nutrition Assistance Program (SNAP) applicant must provide additional information or verification to establish eligibility. Households that fail to provide needed verification at the time of the application interview must provide all required information by the thirtieth day or in ten (10) days, whichever gives the household the most time. The agency must gather the necessary documentation and verification for households eligible for the Elderly Simplified Application Project (ESAP).

At the time of the interview, the household will be notified of the information that must be supplied and of the date by which the information must be provided via the *Request for Information*. The eligibility worker must advise the household that the application will be denied if the information is not returned by the date indicated on the *Request for Information*. If the missing verification is not received in the county office before the end of the application-processing period—including extensions—the household's application will be denied.

When the missing verification is for medical costs, actual utility costs, dependent care costs, or child support payments, these costs will be disallowed, and the application will be processed. The application will be denied only if disallowing these costs causes the household to be ineligible. See SNAP 6524 detailing verification of medical costs, and SNAP 6627 detailing verification of actual utility expenses. If the missing verification is later supplied, the budget will be recalculated to allow the expense. The change will be handled according to the standards for processing changes. See SNAP 11400.

If a household contacts the county office to report a problem with obtaining verification, the eligibility worker will assist the household. The request and outcome will be documented in the eligibility system. See SNAP 317.

If a household provides requested verification and the worker determines that additional information is needed, a *Request for Information* will be issued to advise the household of the missing information and the date by which the information must be provided. However, the application will not be held longer than the thirtieth day to obtain missing verification unless the household has less than ten (10) days to provide missing verification. When an application is denied on the thirtieth day, but missing verification is supplied on or before the sixtieth day, the application will be reinstated. If the household is found eligible, benefits will be prorated from the date the information is supplied.

8510 Delayed Applications

SNAP Manual 05/01/2022

Applications that have been neither approved nor denied by the thirtieth day of the application-processing period are delayed applications. These applications do not become "overdue" until the thirty-first day of the processing period.

On the thirtieth (30) day, all delayed applications must be evaluated, and the appropriate actions must be taken. The county office must take the actions necessary to complete the application process.

8520 Determining Fault - County Caused Delay

SNAP Manual 05/01/2022

The county office is at fault for delays in application processing when the household has completed all required actions, and the eligibility worker has failed to follow processing guidelines or has not:

- Scheduled the first appointment for an interview by the twentieth day after the date of application.
- Provided the household with a statement of required verification; or
- Allowed the household enough time to provide the missing verification.
- Completed the application process when the applicant has returned all required information.

The county office is also at fault for the delay if the eligibility worker failed in some other way to complete the application process. If unable to complete the process, a *Notice of Action* must be sent to the household explaining the delay. In cases where verification is incomplete, the county office must have taken one (1) of the following actions:

- Provided the household with a properly completed *Request for* Information
- Allowed the household enough time to provide the missing verification
- Assisted the household to get required verification if such assistance was requested

If the information needed to process the application was not requested via *Request for Information*, a *Request for Information* will be prepared and mailed to the household. The form must specify the information that must be provided by the sixtieth (60) day after the date of application. If the sixtieth (60) day falls on a weekend or holiday, this will be the first workday after the sixtieth (60) day.

8521 Determining Fault - Client Caused Delay

SNAP Manual 05/01/2022

A delay is the fault of the household if the household has failed to complete the application process even though the county office has taken all required actions.

A household that fails to complete the application process is at fault if the county office attempted to assist with the application on or before the thirtieth (30) day of the application period. This applies when a household is interviewed on or before the thirtieth (30) day of the application period and fails to provide the information needed to complete the application.

If a household attended an interview scheduled on or before the twentieth day of the application period and was properly notified of any missing information via the *Request for Information*, the delay is considered the fault of the household. The household's application may be reinstated up to the sixtieth day. If a household failed to appear for an interview scheduled on or before the twentieth day of the application period and makes no request to reschedule the interview, the application will be denied on the thirtieth day. A household that wishes to reapply must submit another application.

If a county office schedules at least two (2) interviews during the first thirty (30) days of the application-processing period, but the household appears for neither interview, the application will be denied on the thirtieth day unless additional requests for rescheduling of interviews can be granted before the thirtieth day. If the application is denied on the thirtieth day, the household must submit another application.

If a household failed to appear for the first interview and requested the second interview be rescheduled after the thirtieth day, the application will be denied on the thirtieth day. If the household appeared for the interview, the same application will be re-registered with the date of the interview as the date of application.

8540 Handling Pending Applications During the Second Thirty (30) Days

SNAP 05/01/2022

All applications that have been neither approved nor denied before the sixtieth day of the application-processing period must be evaluated on the sixtieth day. The resulting action depends upon whether the second delay in application-processing the fault of the household, or the fault of the agency was.

A delay is the fault of the household if the household failed to complete the application process even though the agency has taken all required actions. If the household is at fault for not completing the application process by the end of the second thirty-day period, the application will be denied. If the household wishes to participate in the Supplemental Nutrition Assistance Program (SNAP), a new application must be submitted.

A delay is the fault of the agency when the household has completed all required actions, but the eligibility worker failed to schedule an appointment for an interview or scheduled the first appointment for an interview after the fiftieth day of the application-processing period. The agency is also at fault if the eligibility worker failed to provide the household with a statement of

required verification, *Request for Information* or failed to process the application. If the delay is the fault of the agency, corrective action must be taken.

8600 Budgeting

SNAP MANUAL 01/01/2021

Initial case actions are budgeted prospectively. See SNAP 7100.

8610 Prorated Initial Benefits

SNAP Manual 05/01/2022

When a household files an initial application for Supplemental Nutrition Assistance Program (SNAP), as defined in SNAP 8100, the SNAP benefits for the first month of certification will be prorated. When a household files an untimely subsequent application after the end of the household's current certification period, proration of benefits will apply. Proration of SNAP benefits usually begin on the day the household filed an application. However, if the application is reinstated in the second thirty (30) day period, as instructed in SNAP 8500, proration will begin on the day the household takes the action necessary to complete the application.

If a household lived in another state but applied in Arkansas before the SNAP case in the other state closed, the household is not eligible to receive SNAP benefits in Arkansas until the previous case is closed. The household will not receive prorated benefits for the application submitted in Arkansas. See SNAP 1300.

Prorated initial benefit amounts will be determined by using the chart found in SNAP 8612 or the following formula.

NOTE: If a household lived in a state other than Arkansas but applied in Arkansas before the SNAP case closed in the other state, the household is not eligible to receive SNAP benefits in AR until the previous case is closed. The household will not receive prorated benefits for the application submitted in AR. Please see SNAP 1300 for residency requirements.

$$\text{Monthly benefit amount} \times \frac{31 - \text{date of application}}{30} = \text{prorated allotment}$$

Rounding: Prorated benefit amounts ending in 1 through 99 cents will be rounded down to the nearest dollar.

EXAMPLE 1: A household applies for benefits on the 17th day of the month and is certified for a SNAP benefit amount of $55.00 per month.

$55 x ((31 - 17)) = $25.66 rounded down to $25.00
30

$25.00 is the prorated benefit amount.

An application submitted on the 31st day of the month will be handled the same as an application submitted on the 30th day of the month when calculating prorated SNAP benefits.

EXAMPLE 2: A household applies for SNAP benefits on the 31st of the month and is certified for a SNAP benefit amount of $355 per month.

$355 x ((31 - 30)) = $11.83 rounded down to $11.00
30

$11.00 is the prorated benefit amount.

If a prorated initial SNAP benefit amount is less than $10.00, no benefits will be issued.

EXAMPLE 3: A household applies for SNAP benefits on the 17th of the month and is certified for a SNAP benefit amount of $21.00 per month.

$21 x ((31 - 17)) = $9.80 rounded down to $9.00
30

The household will not receive any SNAP benefits for the month of application because the prorated initial benefits are less than $10.00.

8611 Proration for Migrant and Seasonal Farm Worker Households

SNAP Manual 05/01/2022

Migrant and seasonal farm worker households must receive full benefits for the month of application when the household has participated in the Supplemental Nutrition Assistance Program (SNAP) within thirty (30) days prior to the date of application. If a migrant or seasonal farm worker household applied for SNAP benefits, the eligibility worker must determine if the household has received SNAP benefits in any state within the thirty (30) day period prior to the date of application. If so, the household's benefits for the month of application will not be prorated.

When a migrant or a seasonal farm worker household declares receipt of SNAP benefits during the thirty (30) day period prior to the date of application in Arkansas, the household will be asked to submit proof of participation such as an ID card, an Electronic Benefit Transfer (EBT)

card, or an approval notice. If the household has no proof, the eligibility worker will contact the state where benefits were received in the prior month. Both the date and location of the household's last participation must be documented.

This provision does not entitle households to participate twice in the same month. Migrant or seasonal farm worker households may only participate in SNAP in one (1) state during any given month.

8620 Minimum SNAP Benefits

SNAP Manual 01/01/2021

A minimum Supplemental Nutrition Assistance Program (SNAP) benefit amount is the smallest monthly SNAP benefit amount that may be issued to an eligible household. The minimum benefit amount for each household size is listed on *Exhibit A - SNAP Basis of Issuance Charts*. To determine the minimum benefit amount for one (1) and two (2) person households. See SNAP 8630.

To determine the minimum benefit amount for households with three (3) or more members. See SNAP 8640.

8630 Minimum SNAP Benefits for One and Two Members

SNAP Manual 01/01/2021

The minimum Supplemental Nutrition Assistance Program (SNAP) benefit amount is established annually for eligible one (1) and two (2) person households.

This provision applies to households that include a person aged sixty (60) or older or individuals living with a disability, categorically eligible households, and regular households. See the glossary for definitions of both individuals with disabilities or persons aged sixty (60) or older, and categorically eligible households.

A categorically eligible household with one (1) or two (2) persons will receive a minimum benefit regardless of the household's net income.

8640 Minimum SNAP Benefits – Three or More Members

SNAP Manual 05/01/2022

Categorically eligible households with three (3) or more members will be entitled to a minimum benefit of at least two dollars ($2.00); if the Thrifty Food plan reduced by thirty percent (30%) of

the household's net income is at least one dollar ($1.00). Minimum benefits for households with three (3) or more members vary according to household size, and whether the household's net income exceeds the limit on the issuance charts. Minimum benefit amounts may be found in *Exhibit A - Basis of Issuance Chart*.

8641 Benefits for Categorically Eligible Households

SNAP Manual 05/01/2022

Categorically eligible households with one (1) or two (2) members will receive a minimum benefit amount, regardless of the benefit calculation. A categorically eligible household with three (3) or more members receive benefits only if the household's benefit calculation is one dollar ($1.00) or more. If the household's benefit amount is less than one dollar ($1.00), the case is treated as an otherwise eligible case. The case must be keyed into the Supplemental Nutrition Assistance Program (SNAP) system in the same manner as cases for households that receive benefits. The benefit amount will be zero (0).

8650 Retroactive Benefits

SNAP Manual 05/01/2022

Retroactive benefits are Supplemental Nutrition Assistance Program (SNAP) benefits due to a household at application approval for months in the application period prior to the month of approval.

EXAMPLE: An application is submitted in June and approved in August. June and July SNAP will be authorized as retroactive benefits.

Retroactive benefits will be issued only if the county was at fault for the delay in processing the application and the household is eligible for those months. Retroactive benefits are subject to proration.

When a household is entitled to retroactive benefits, the number of retroactive benefits will be calculated, proration will be applied as necessary, and the retroactive benefits will be authorized.

If a household is not eligible for the current month but is eligible for a prior month or months in the application period, the household will be issued any retroactive benefits.

EXAMPLE: An application is approved on April 10 for a household that applied on March 15. Retroactive benefits for March are prorated to the date of application, March 15. To ensure the household receives the benefits for the retro month, the benefits must be entered in the Retro field in the ANSWER.

EXAMPLE: A household applies for SNAP benefits on March 15th. On May 2nd, the eligibility worker determines that the household is currently ineligible, and the county was at fault for the delay in processing. The household was eligible for SNAP benefits in March and April, so the eligibility worker calculates the household's March and April SNAP benefits. March benefits are prorated to the date of application, March 15. These benefits are authorized as retroactive benefits. To ensure the household receives the benefits for the retro month, the benefits must be entered in the Retro field in the ANSWER.

8651 Aggregate Benefits

SNAP Manual 05/01/2022

A household that files an initial application after the fifteenth of the month and is approved by the end of the month of application will be issued aggregate benefits. Aggregate benefits are combined benefits for the month of application and the following month. If the initial month's benefits are less than ten dollars ($10.00), only the benefits for the following month will be issued. Prorated initial benefits amounting to less than ten dollars ($10.00) are not issued. See SNAP 8610.

Households that apply after the fifteenth of the month and are certified under expedited service provisions will be issued prorated benefits for the first and second months within the expedited timeframe.

EXAMPLE: A household submits an initial application on November 21st, and the application is approved on November 29th. On November 30th the household will be issued aggregate benefits for the months of November and December.

8700 Certification Period

SNAP Manual 09/01/2022

A certification period is a designated period during which a household is eligible to receive Supplemental Nutrition Assistance Program (SNAP) benefits. Certification periods are based upon calendar months. The month a household applies for SNAP benefits is usually the first month in the certification period even if the application is not approved until a later month.

A household may be determined eligible for the month the application was submitted, but not receive any SNAP benefits due to proration. In these cases, the certification period will begin with the month of application even though the household will not receive any SNAP benefits for that month.

When a household is ineligible for one (1) month or more in the period of application, the certification period begins with the first month of eligibility.

Eligibility for SNAP benefits cease at the end of each certification period. All households participating in regular SNAP must be re-certified before additional benefits can be issued.

Certification periods range in length from one (1) month to thirty-six months and are assigned according to the current household situation.

8710 Assigning Certification Periods

SNAP Manual 09/01/2022

All households are subject to limited reporting and will be assigned certification periods as specified below:

1. Households consisting totally of adults aged sixty (60) or older or adults living with a disability with no earnings, or a child support deduction will be assigned a thirty-six-month certification period.
    - A household composed entirely of persons aged sixty (60) or older or living with a disability, and minor dependent children aged fifteen (15) or younger will be assigned a six (6) month certification. These households will be subject to Limited Reporting.
2. A household composed entirely of Supplemental Security

Income (SSI) recipients will be assigned a six (6) month certification period if one (1) or more members have earned income from a sheltered workshop.

3. Households subject to limited reporting (SNAP 11340) (SNAP 11342) will be assigned a six (6) month certification period.
4. Some households subject to limited reporting (SNAP 11340) will receive certification period shorter than six (6) months.
    - Homeless households as defined in the glossary will receive a four (4) month certification period. (See both the definition of "Homeless Household" and "Homeless Individual.")
    - Migrant and seasonal farm worker households as defined in the glossary. These households are certified for four (4) months. See both the definition of "Migrant" and "Seasonal Farm worker."
    - Striker households are certified for four (4) months under the provisions in SNAP 1700-1740.
    - Certain self-employed households will be certified for four (4) months as explained in SNAP 5662-5691.
    - All households containing an Able-Bodied Adult Without Dependents subject to the Requirement to Work will be certified for four (4) months.
5. Households certified under the expedited provisions will be assigned a one (1) or two (2) month certification period when verification is postponed as described in SNAP 9501.
6. Households admitted to a substance abuse treatment center will usually be assigned a one (1) or two (2) month certification period.
7. Households admitted to a substance abuse treatment center or sentenced to a substance abuse treatment center for a longer period may be given a three (3) month certification period. Certification periods assigned to households residing in a treatment center must not exceed three (3) months.
8. Households will be assigned a one (1) or two (2) month certification period when it appears likely that the household will become ineligible to receive Supplemental Nutrition Assistance Program (SNAP) benefits in the near future.

- This includes households that intend to leave the State of Arkansas in the near future.
- This also includes any household that contains an Able-Bodied Adult (ABA) member who is subject to the Requirement to Work, and the member has received one (1) or two (2) countable months while not fulfilling the requirement to work.

8720 Prioritizing Assignment of Certification Period

SNAP Manual 09/01/2022

The following households will be assigned a one (1) or two (2) month certification period:

- Households certified under the expedited provisions when verification is postponed.
- Households expected to become ineligible in the first or second month of certification.

Households residing in a substance abuse treatment center will be assigned a one (1), two (2), or three (3) month certification period.

A four (4) month certification period, as explained in SNAP 8710, will be assigned to the following households:

- Certain homeless households
- Migrant and seasonal farm-worker households
- Households with strikers
- Households with self-employment income when the eligibility worker is awaiting verification of the last year's self-employment income
- Households containing an Able-Bodied Adult subject to the Requirement to Work or who may become subject to the Requirement to Work.

Households where all members are Supplemental Security Income (SSI) recipients where at least one (1) member has earned income will be assigned a six (6) month certification period and are subject to limited reporting, excluding SSI households mentioned in SNAP 8710.2.

An Elderly Simplified Application Project (ESAP) household composed of adults aged sixty (60) or older or adults living with a disability that do not receive a child support deduction, earned income, or include minor

dependent children aged seventeen (17) or younger, will be certified for thirty-six months (36).

All other households will be assigned a six (6) month certification period and will be subject to limited reporting.

8730 Adjusting Certification Periods

SNAP Manual 09/01/2022

The new certification period may not exceed thirty-six (36) months, including the original certification period. The corrected certification period must be keyed as an application using the original date of application. This will ensure that the annual reminder letter is issued to the household at the correct time. The corrective action must be justified in the narrative.

With one (1) exception, a household's certification period may not be shortened once it has been assigned. However, a thirty-six (36) month certification may be shortened when the household is no longer eligible for a thirty-six-month certification period.

A certification period may be lengthened to correct a case if the household was entitled to thirty-six (36) month certification period but was assigned a shorter certification period.

If the county office must extend a certification period to correct the case, the household must be notified of the new certification period using a manually issued *Notice of Action*. In addition, a *Change Report* will be issued to the household.

8800 Forms and Notices Supplied at Certification

SNAP Manual 01/01/2021

Certain forms and notices are provided to all eligible households when an initial application is approved.

See SNAP 8810 - 8830.

8810 Approval Notice

SNAP Manual 05/01/2022

Each eligible household must be provided with an approval notice at initial application and recertification. Approval notices will contain the following information:

- The monthly Supplemental Nutrition Assistance Program (SNAP) benefit amount;
- For households issued retroactive benefits; an explanation that the first issuance includes benefits for more than one (1) month;
- For households issued aggregate allotments; an explanation that the first issuance includes SNAP benefits for the current month and a future month;
- Variations in the SNAP benefit amount based on changes anticipated at certification;
- The beginning and ending months of the certification period;
- The household's right to an administrative hearing; and
- The telephone number, Telecommunications Device for the Deaf (TDD) number, or Arkansas Relay Service number of the county office.

Automated notices are issued at application except in the following circumstances:

- Restored benefits are being authorized;
- A household is being certified under the expedited provisions of SNAP 9100 and verification is postponed;
- The household's certification period ends in the current month, or the household is certified for retroactive benefits only;
- A member of the household has not verified his or her Social Security number (SSN);
- The automated notice does not provide the household with adequate information; or
- There is no automated notice to address the household's current situation.

In these situations, a notice will be prepared manually using the *Notice of Action*. All required information must be included.

8820 Change Report Form

SNAP Manual 05/01/2022

All households must be advised during the application interview of the household's responsibility to report required changes. The change reporting process is fully explained in SNAP 11300 - 11350.

If a *Change Report Form* and a business reply mail envelope was not issued to the household during the application interview, a *Change Report* and business reply mail envelope will be issued at application approval. A *Change Report Form* and a *Change Report Addendum: Reporting Requirements* form will be provided to the household. If a *Change Report Form* was previously issued, but no addendum was issued, then an addendum must be issued at application approval. The form is available in different formats, such as large print. The household will be instructed in the use of the form.

For applications received through Access Arkansas, a link to the *Change Report Addendum* forms is provided to the applicant in his or her welcome message with the following text:

> **FOR SUPPLEMENTAL NUTRITION ASSITANCE PRGRAM (SNAP) APPLICANTS ONLY:** *If approved for benefits, your eligibility worker will discuss reporting requirements with you.*

8821 Limited Reporting

SNAP Manual 09/01/2022

Households subject to limited reporting will be given a copy of the publication entitled *Limited Reporting* during the interview. The eligibility worker must explain the contents of the publication to the household.

If limited reporting is not explained to the household at the time of the interview, a publication will be mailed to the household. The household will be instructed to contact the county office if additional information is needed.

8830 Notice of SNAP Certification Expiration

SNAP Manual 09/01/2022

Each household certified for six (6) months or less must receive a recertification application before the first day of the last month of the household's certification period. The recertification application is generated around the third workday of the month for all households expiring the

following month. The date by which the household must reapply to ensure uninterrupted receipt of benefits and the date for the household's interview appear on the recertification application. An approval notice will be issued at the time an initial application is approved if the household is being assigned a one (1) or two (2) month certification period or if the household is being certified for three (3) or more months, but one (1) or more months of the certification period is retroactive, and the recertification application has already been generated for the month in which the certification period expires.

See SNAP 8810 for information on *Approval Notices.*

See SNAP 10210 for information on completing the *Application for Recertification/Medicaid Review, Notice of Expiration*.

8900 Special Procedures at Initial Application

SNAP Manual 05/01/2022

8920 Processing Joint SSI/SNAP Applications

Supplemental Nutrition Assistance Program (SNAP) households composed only of Supplemental Security Income (SSI) applicants or recipients may apply for SNAP benefits at Social Security Administration (SSA) offices. SSA will accept the application for SNAP, obtain verification, and forward the application with an approved transmittal, and any other appropriate documents to the county office. The eligibility worker will screen the application for Elderly Simplified Application Project (ESAP) eligibility.

The eligibility worker will determine eligibility and the SNAP benefit amount; if the household is eligible. The household will receive an approval or denial notice. If the household is found to be eligible, the notification will specify the SNAP benefit amount and the certification period.

8930 Social Security Administration (SSA) Responsibilities

SNAP Manual 05/01/2022

1. Advising Supplemental Security Income (SSI) Households of Joint SSI/SNAP Processing
   When a member of a household composed entirely of SSI recipients transacts business at a Social Security office, the individual will be advised that he or she has a right to apply for Supplemental Nutrition Assistance Program (SNAP) benefits at the local Social Security office, through Access Arkansas, or at the Department of Human Services (DHS) county office.
2. Accepting SNAP Applications
   If the household chooses to apply for SNAP benefits at the Social Security Administration (SSA), the SSA is required to accept the application.
3. Forwarding SNAP Applications
   Applications for SNAP benefits accepted by SSA must be forwarded to the DHS county office within one (1) working day along with the transmittal and verification supplied by the household.
4. Referring Other Households to the DHS County Office
   If not all members of the household are SSI recipients, the SSA office will offer the household a SNAP application and will refer the household to the DHS office and Access Arkansas.
5. Providing Other Information

An informational pamphlet will be provided to households who have applied for SNAP benefits through SSA. The pamphlet will inform the household of the address and telephone number of the DHS county office and the remaining actions to be taken in the application process.

6. Screening Applications for Expedited Services and Elderly Simplified Application Project (ESAP)
   The SSA will screen all applications for SNAP benefits to determine if the household is entitled to expedited services. If the household is entitled to expedited services, SSA will indicate that on page one (1) of the SNAP application. The SSA worker will advise the household that the time required to complete its application may be reduced if the household delivers the application to the local DHS county office. If the household submits the application to the local DHS County Office, the application will be screened to determine if the household is eligible for ESAP.
7. Completing Telephone Interviews if Necessary
   If the SSA takes an SSI application by phone, a SNAP application will be completed at the same time, mailed to the household for signature, and returned to the SSA office. The application will then be forwarded to the DHS county office.
   When an SSI recipient's eligibility for SSI is redetermined by mail, the SSA will enclose a notice with the SSI application. The notice will advise the SSI household of the right to file an application for SNAP benefits at the SSA. The notice will also advise the household that out-of-office interviews are available if the household cannot go to the office or appoint an authorized representative.
8. Completing Verification
   SSA must request the following verification:
   - Gross income
   - Alien status
   - Utility expenses to determine which utility allowance will be applied.
   - Information relating to dependent care, household composition, or non-liquid resources if information about these items is inaccurate, incomplete, inconsistent, or outdated.

If the applicant has verification of these items at the time of the interview, SSA will provide copies of the verification to the local DHS county office. SSA may also indicate on the transmittal that verification is being retained in the SSA files. If the applying household does not have the required verification at the time of the SSA interview, the SSA representative must advise the household of the verification needed. The local DHS county office must contact the household to obtain this verification.

8940 DHS Responsibilities

SNAP Manual 05/01/2022

1. Register Applications for Supplemental Nutrition Assistance Program (SNAP) Benefits Forwarded by the Social Security Administration (SSA)
   For households not entitled to expedited services, the date of application will be the date the application was received by SSA. For expedited applications, the date of application will be the date the application was received in the Department of Human Services (DHS) county office.
2. Process Applications for SNAP Benefits Forwarded by the SSA
   See SNAP 8500-8530 for an explanation of the processing periods for initial applications. See SNAP 9400-9600.
3. Obtain All Needed Verification
   Social Security will attempt to obtain needed verification; however, DHS must obtain any verification not provided by the SSA. All further contact with the household to obtain needed verification will be made by telephone, letter, or scheduled home visit. Another interview will not be scheduled to complete the verification requirements. For households eligible to participate in the Elderly Simplified Application Project (ESAP), the eligibility worker will collect all needed verification.
4. Work Register Household Members as Necessary
   Work registration requirements will be waived on all household members applying for Supplemental Security Income (SSI), until the member is determined eligible for SSI and becomes exempt on that basis, or the member is determined ineligible for SSI. When a member is determined ineligible, the normal work registration requirements will apply.

   See SNAP 3000 for *Work Registration* requirements.

   If a household member is denied for SSI but continues to claim that he or she is not able to work, a statement will be requested from a health care professional unless the disability is obvious. When the disability is obvious, the nature of the disability and the anticipated length of the disability must be documented in the case record. The statement must support the member's contention that he or she is unable to work due to a physical or mental impairment and must state if or when he or she may be able to return to work.
5. Assign the Proper Period of Certification
   See SNAP 8710-8720 for information about the proper period of certification. Certification periods will be shortened if a household member's application for SSI is

denied, and the household's eligibility or SNAP benefit amount may be affected. See SNAP 11320.

6. Develop Proper Controls
   Each county office must determine if any member of a household applying through the SSA is already participating in the SNAP.

8945 The Prerelease Program

SNAP Manual 05/01/2022

Any resident of a public institution who applies for Supplemental Security Income (SSI) prior to their release from the institution under the Social Security Administration's (SSA) Prerelease Program may apply for Supplemental Nutrition Assistance Program (SNAP) benefits at the same time.

The Social Security Administration (SSA) will accept applications from participants in the Prerelease Program who apply for SSI and wish to make an application for SNAP benefits at the same time. Applications for SNAP benefits will be accepted only if the individual will not be residing in a boarding house or another institution.

The SSA Representative will complete a SNAP application. The prerelease applicant must sign the application. The word "PRERELEASE" will be written in red across the top of the first page of the application. The application and an SSA Transmittal will be mailed to the Department of Human Services (DHS) county office in which the applicant expects to live after his or her release from the institution.

The SSA will advise the county via SSA Transmittal when the applicant's SSI application is either approved or denied. The SSA will also provide the following information to the county office:

- The date of release as provided by the institution to SSA
- Any delays in the date of release and the reason for the delay as provided by the institution to SSA
- Any changes in the applicant's address, as when the applicant moves to an address other than the one reported on the original application

8946 Processing Applications from Prerelease Participants

SNAP Manual 05/01/2022

When an application for Supplemental Nutrition Assistance Program (SNAP) benefits labeled "PRERELEASE" is accompanied by a Social Security Administration (SSA) Transmittal that is

received in the county office, the application will be held in an accessible location until the SSA notifies the county of the applicant's date of release. After the county receives an SSA Transmittal giving the applicant's date of release, the application will be screened as instructed in SNAP 9300 to determine if the household is entitled to expedited services or for Elderly Simplified Application Project (ESAP) eligibility. The application will be registered as instructed in SNAP 8710. The date of application will be the date the applicant was released from the institution.

The application will be processed under the normal processing standards specified in SNAP 8500, unless the household is entitled to expedited service. Expedited prerelease applications from eligible households must be processed and keyed no later than the first working day following the day the county received notice from the SSA of the applicant's release from the institution.

When determining a prerelease applicant's eligibility to expedited service, the eligibility worker must check to see if the applicant is now receiving Supplemental Security Income (SSI) benefits. The county will not conduct another interview with the prerelease applicant. However, the applicant will be expected to provide verification of any information not verified through SSA. See SNAP 9441. If verification of identity is needed for expedited prerelease applicants, SSA may be able to provide this verification by telephone or by fax. See the glossary definition of "Verification" for the verification standards for other applications.

Prerelease applicants will not be work registered unless the applicant's SSI claim has been denied because the applicant was not found to be disabled. However, any other household members will be work registered unless they meet one (1) of the exemptions in SNAP 3210-3290.

When a prerelease application is submitted for an applicant who will be moving into a household that is already participating in the SNAP, this household will be contacted. The eligibility worker will establish the applicant's status as a separate household using SNAP 1630-1632.1. If the applicant establishes a separate household, the application will be processed. Any applicant who does not establish a separate household will be added to the household under the provisions in SNAP 11430-11436. The change will be considered reported when the SSA Transmittal stating the applicant's date of release is received by the county. The application will be denied if registration has occurred. Documentation of all circumstances surrounding this action must appear in the case file.

8950 Quality Assurance Reviews on Applications Taken by SSA

SNAP Manual 01/01/2021

Errors made by the Social Security Administration (SSA) during the application process will not be considered quality assurance errors. However, any under issuances of Supplemental Nutrition Assistance Program (SNAP) benefits resulting from an error by SSA will be corrected through restoration. See SNAP 13300.

8960 Potentially Categorically Eligible Households

SNAP Manual 05/01/2022

See SNAP 1920 for a definition of a categorically eligible household.

Households in which all members have applied for Supplemental Security Income (SSI) or in which at least one (1) member has applied for Transitional Employment Assistance (TEA) cash assistance are considered potentially categorically eligible.

Potentially categorically eligible households entitled to expedited services as specified in SNAP 9200 will be processed as instructed in SNAP 9000 of this manual.

8961 Eligible Households

SNAP Manual 01/01/2021

If a household that is potentially categorically eligible is also eligible based on all normal requirements, no special provisions will apply. When the application is approved, the approval notice will specify that the household must report to the county if the Supplemental Security Income (SSI) or Transitional Employment Assistance (TEA) case assistance application is approved.

8962 Ineligible Households

SNAP Manual 01/01/2021

If a potentially categorically eligible household is ineligible based on residency, the Social Security number (SSN), resources, or income (gross or net) requirements, the application must be denied at the time ineligibility is determined. If the application is properly coded as a potentially categorically eligible household, the denial notice automatically generates to the household and will state that the household may be categorically eligible if the Supplemental Security Income (SSI) or Transitional Employment Assistance (TEA) application is approved.

If the pending application for SSI or TEA benefits is approved and the household becomes categorically eligible, the original Supplemental Nutrition Assistance Program (SNAP) application will be reinstated. SNAP benefits will be provided from the date of the original application or the date on which the TEA or SSI application was approved for payment of benefits, whichever is later. The SSI or TEA benefit will be added to the household's budget for the month in which the benefits were approved.

When the SNAP portion of a joint SNAP and TEA application is denied, but the TEA application is later approved, the eligibility worker will be responsible for reinstating the SNAP application and determining the amount of benefits the categorically eligible household will receive. See SNAP 8641.

If the household has not yet received SSI or TEA benefits, the benefits will be added to the budget in the month of anticipated receipt. If there were changes in the household's circumstances after the SNAP application was denied, these changes will be considered when the SNAP benefit amount is calculated.

8970 Joint SNAP and TEA Applications

SNAP Manual 05/01/2022

No household will be required to apply for Transitional Employment Assistance (TEA) or Medicaid benefits to apply for Supplemental Nutrition Assistance Program (SNAP) benefits. TEA or Medicaid applicants that do not wish to receive SNAP benefits will not be required to apply for SNAP benefits.

The verification guidelines specified in the glossary, definition of "Verification" will apply to SNAP applications, as outlined in SNAP 9441. Information verified for the TEA application that is relevant to SNAP eligibility will be used in processing the SNAP application, and the household will not be asked to re-verify this information under SNAP rules.

If a household has met all SNAP requirements, but information is still needed to process the TEA application, the SNAP application will be approved immediately. See SNAP 8500. If a household is entitled to receive SNAP benefits under the expedited processing guidelines, the SNAP application will be processed under these guidelines. See SNAP 9100.

No household will have its application for SNAP benefits denied solely because an application for TEA or Medicaid is denied. There must be a separate determination that the household failed to satisfy a SNAP eligibility rule. No household will be required to file a new application for SNAP benefits solely because a TEA or Medicaid application is denied.

If a Department of Human Services (DHS) county office is working to divert a household from the receipt of TEA cash assistance, the eligibility worker must make clear to the household that the application requirements for cash assistance do not apply to the receipt of SNAP benefits. If a SNAP application has been submitted, the household will be encouraged to carry through with this application. The eligibility worker must also advise the applicant that households may continue to receive SNAP benefits, even if the TEA cash assistance case is closed because the case head began working or because the household has reached its time limits.

When the SNAP part of a joint application is denied under SNAP rules and the TEA application is subsequently approved, the household becomes categorically eligible. In that case, the household's SNAP application may be reinstated. See SNAP 8962.

8971 Scheduling Joint SNAP and TEA Interviews

SNAP Manual 01/01/2021

When a household makes a joint application or submits two (2) applications at the same time, one (1) for Supplemental Nutrition Assistance Program (SNAP) benefits, and one (1) for Transitional Employment Assistance (TEA) cash assistance, the agency will conduct a joint interview. If a joint interview is not conducted, the household should not be required to return on another day or at another time to be interviewed for SNAP benefits. Unless the household requests the delay in interview, the SNAP interview is not to be held on a day later than the TEA interview.

8972 Processing Joint SNAP and TEA Applications

SNAP Manual 01/01/2021

Once the interview has been conducted, the county may opt to have one (1) worker determine eligibility for all programs, or to have different workers determine eligibility for each program. If different workers are used to determine eligibility for different programs, the county office must develop a plan to ensure that workers work as a team so that the household is not asked to provide duplicate verification.

8980 Processing Applications When Child Abuse Has Occurred

SNAP Manual 05/01/2022

When a report of child abuse is substantiated, the Division of Children and Family Services (DCFS) must take immediate action to protect the child. When sexual abuse or life-threatening

physical abuse is involved, the perpetrator of the abuse may be removed from the home creating a serious hardship for the family.

To ease this hardship, special consideration will be given to households in which:

- There is a substantiated report of serious abuse (physical or sexual); and
- The perpetrator is the primary wage earner where no formal determination of primary wage earner status is necessary; and
- The perpetrator is out of the home by court order, incarceration, or voluntarily.

DCFS or other authorities may identify such households. The county office may also identify such households during the application process.

If such households are entitled to expedited processing as specified in SNAP 9200, the application will be handled according to the expedited processing standards contained in SNAP 9400-9446. If households are not entitled to expedited processing, the county office will schedule the household's interview according to the expedited procedures. However, the household will be subject to all regular verification requirements. These requirements are summarized in a table in the glossary under the definition of "Verification."

Due to the household's special circumstances, the eligibility worker will assist the household, whenever possible, to obtain any information or verification required to complete the application.

8981 Mandated Reporting

SNAP Manual 01/01/2021

Employees of the Department of Human Services (DHS) are mandated reporters.

A mandated reporter is a person who because of his or her profession is legally required to report any suspicion of child abuse or neglect to the Child Abuse Hotline (1-800-482-5964). These laws are in place to prevent children from being abused, and to end any possible abuse or neglect as early as possible.

Act 530 of 2019, *An Act Concerning School Safety*, expands mandatory reporting to include the requirement to report when there is a serious and imminent threat to the public based on threats of school violence.

If the threat of violence to a school has been communicated to a mandated reporter, he or she must notify law enforcement immediately.

If it is determined that an employee was aware of child abuse, or of a person who could be an imminent danger to a school, and the employee failed to report, the employee could be held liable by DHS and held criminally liable in a court of law.

9100 Expedited Case Actions – Summary

SNAP Manual 10/01/97

Certain eligible households are entitled to receive Supplemental Nutrition Assistance Program benefits within seven calendar days of application. Households entitled to expedited service are identified through a screening process.

The following section of policy identifies the households entitled to expedited service and describes the procedures under which applications from these households are processed.

9200 Households Entitled to Expedited Service

SNAP Manual 04/01/2022

The following households are entitled to expedited service:

1. All households with one hundred dollars ($100) or less in countable liquid resources (i.e., cash on hand, checking or savings accounts, savings certificates, and lump sum payments) and less than one hundred and fifty ($150) in gross monthly income;
2. Eligible households whose total combined gross monthly income and liquid resources are less than the amount incurred by the household for its utilities and rent or mortgage payment; or
3. Destitute households with one hundred dollars ($100) or less in countable liquid resources (i.e., cash on hand, checking or savings accounts, savings certificates, and lump sum payments). Only households that contain migrant or seasonal farm-worker members in the job stream may be considered destitute (See SNAP 9600 for a full explanation).

Sometimes a household disqualified for failure to cooperate with a quality assurance (QA) reviewer will reapply and be entitled to expedited service. Any such household reapplying within ninety-five (95) days of the end of the QA annual review period must cooperate with the QA reviewer prior to certification.

Any such household, reapplying more than ninety-five (95) days after the end of the annual QA review period, has to provide verification of all eligibility requirements before certification. However, if the household is entitled to expedited service, only identity must be verified before

the first month's benefits are issued. The household must provide verification of all eligibility requirements before its next certification period begins.

There is no limit to the number of times a household may be certified under the expedited service provisions. However, prior to each subsequent expedited certification, the household must either complete the verification requirements that were postponed or be certified under normal processing standards. See SNAP 9441.1 for additional information.

9300 Screening Applications

SNAP Manual 04/01/2022

Each SNAP application received in the county office must be screened to determine if the household is entitled to expedited service, if the household is not currently participating in the Supplemental Nutrition Assistance Program. This includes:

- Initial applications; and
- Applications for recertification received after the end of the household's certification period but within thirty (30) days of the last day of the household's last month of certification.

Screening is accomplished by reviewing the application form to determine if the household meets the criteria in SNAP 9200.

A currently certified household, that submits an expedited application before the household's recertification is due, may be attempting to report a change. If the applicant is still in the office, a county worker will interview the applicant to determine why an application was submitted. A *Telephone Report* will be completed if necessary.

9321 Applications Submitted in Person

SNAP Manual 04/01/2022

An individual requesting a SNAP application may verbally indicate that the household is in desperate need. These households will be encouraged to file an application immediately. Upon request, the application form will be provided in an alternative format such as large print, etc.

Assistance in completing the application form will be provided.

9322 Applications Received by Mail

SNAP Manual 04/01/2022

Applications received by mail will be screened to see if the applicant has declared an immediate need for SNAP benefits. If, based upon the information on the application, the household is entitled to expedited services, the application will be processed according to the Agency's expedited service procedures. Lack of a telephone number on the application must not delay delivery of expedited service beyond mandated time frames.

Applications received from the Social Security Administration (SSA) through the joint processing provisions (SNAP 8920) must also be screened. Expedited applications received from SSA must be processed by the same guidelines. These applications must also be screened for Elderly Simplified Application Project (ESAP) eligibility.

9323 Household Moved from Another State

SNAP Manual 04/01/2022

When an expedited applicant has just moved to Arkansas, the worker must ask if the household is receiving SNAP in another state. If yes, the household will not be eligible to participate for the month of application. The worker must notify the other state that the household has applied in Arkansas.

If the household is eligible for the following month, the worker will use the same application to certify the household for the second month. If the household is entitled to expedited service in the second month, the application must be processed within seven (7) calendar days of the date of application or the first working day of the following month, whichever is later.

An expedited applicant who has moved to Arkansas from another state will be asked to sign a statement that the household is not currently authorized to receive benefits in that state. Once the statement has been signed, the worker will contact the state where the applicant is certified to determine if benefits were authorized for the current month. If benefits were authorized, the worker will determine if the applicant may access those benefits in Arkansas with the EBT card issued by the other state. If the household's benefits for the current month have been authorized and the household can access those benefits in Arkansas with the EBT card issued by the other state, the household will not be certified in Arkansas for the current month.

9324 Agency Conference

SNAP Manual 10/01/97

Households disputing a county decision not to expedite a SNAP application will be offered an agency conference within two working days. The household may request the conference be scheduled at a later date. Households may orally decline an agency conference.

The household will be advised that the agency conference is optional and will in no way delay or replace an administrative hearing. Even though the agency conference may lead to an informal resolution of the dispute, any requested hearing must be held unless the household makes a written withdrawal of its request.

Agency conferences must be attended by a supervisor and by the household or its representative. The worker responsible for the decision to deny expedited service may attend the conference.

9325 Tracking Expedited Applications

SNAP Manual 04/01/2022

An expedited application is one where the approval or denial is an initial application or an application for recertification received after the end of the household's certification period but within 30 days of the last day of the household's last month of certification. Dispositions of expedited applications are tracked within the eligibility system. The expedited indicators are code "Y" or code "L." Code "Y" indicates the application was screened and identified as an expedited application when it was registered. Code "L" indicates the application was identified as an expedited application sometime later in the application process (see SNAP 9410). The date that the household was found to be entitled to expedited service is the late determination date (LDDATE). The processing time frame for late determinations is seven (7) days from the date the application was identified as an expedited application.

9400 Processing Standards

SNAP Manual 04/01/2022

SNAP benefits must be available to the expedited households by the seventh calendar day from the date of application or the late determination date. The seven-day period begins the day after the application is received in the county office and is continuous. This includes weekends

and holidays. For example, if an expedited application is received on Tuesday, November 10; the seven-calendar-day period begins on Wednesday, November 11 (a holiday), and ends on Tuesday, November 17.

9410 Changes in Expedited Status

SNAP Manual 04/01/2022

If screening fails to identify a household entitled to expedited service and the county later discovers the error, expedited service must be provided within seven (7) calendar days of the date of discovery. If a household becomes entitled to expedited service as the result of a change which occurred after application, but before the interview, the expedited service must be provided within seven (7) calendar days of the date of discovery. See SNAP 9325 for additional information. If a household loses its entitlement to expedited service between the date of application and the date of interview, the county worker will process the application under the guidelines in SNAP 8500. The application must be reclassified as a non-expedited application in order for the system to begin tracking the application as a regular application. See SNAP 9420 for instructions on handling applications where the household misses an expedited interview.

9420 Scheduling Interviews

SNAP Manual 04/01/2022

Application interviews with expedited households must be scheduled to comply with the seven-day processing standards specified above. In no instance will the interview be waived in order to process the application within the specified timeframes.

Case records will be documented regarding the scheduling of the interviews. Documentation will include copies of all forms used to schedule interviews and a narrative fully explaining the scheduling or rescheduling of the interview.

9430 Out-of-Office Interviews

SNAP Manual 04/01/2022

When an expedited household is entitled to an out-of-office interview as specified in SNAP 8250, the interview must be conducted. The application must be processed in accordance with the standards in SNAP 9400.

If an application has not been submitted when the telephone interview is conducted, the application must be completed during the course of the interview. The completed application

will be signed electronically or mailed for signature. Day one (1) of the processing standards will be the date ~~after~~ immediately following the date of the telephone interview.

If an application has not been submitted and a home visit is made, the application will be completed during the home visit. The worker who completed the interview will return the application to the county office the same day. Processing standards will begin on the day the home visit is conducted.

9440 Processing Expedited Applications

SNAP Manual 04/01/2022

SNAP sections 9440-9446 contain instructions for processing expedited applications.

9441 Verification

SNAP Manual 04/01/2022

In all cases, the case head's identity shall be verified through a collateral contact or any available documentation. All reasonable efforts shall be made to verify the household's residency, income (or lack of income), liquid resources, utility costs (if used), and medical expenses during the interview. Verification of these factors can be accomplished through collateral contacts or easily obtainable documentation. However, application processing will not be delayed because these factors have not been verified. See SNAP 9441.1 for additional information.

Households unable to supply documentary evidence to verify identity may supply a collateral contact. See the Glossary definition of Verification for additional information. Once a collateral contact has been supplied or assistance has been requested, the worker must take immediate action to verify identity through the collateral contact.

9441.1 Postponed Verification

SNAP Manual 04/01/2022

When verification of eligibility factors other than identity cannot be accomplished during the interview, certification of households entitled to expedited service must not be delayed. Verification of the factors listed below may be postponed:

1. Residency
2. Income (including the lack of income)
3. Liquid resources
4. Utilities

5. Medical costs
6. Alien status
7. Social Security number
8. Work Registration

There is no limit to the number of times a household may be certified under the expedited service provisions. However, prior to each subsequent expedited certification, the household must either complete the verification requirements that were postponed or be certified under normal processing standards.

Prior to certification, the eligibility worker must determine if the household's last application was certified under the expedited provisions with verification postponed. If the verification postponed at the last expedited certification occurred within one (1) year, the household must complete the verification requirements that were postponed. If the postponed verification from the previous certification is beyond twelve (12)-months from the current application date, the household must be certified under normal processing standards (see SNAP 9442 and SNAP 9443).

Households certified under the expedited service provisions with verification postponed will be issued a notice specifying what the household must verify before its next certification.

9442 The SSN Requirement

SNAP Manual 07/01/03

Households certified under the expedited service provisions do not have to declare or apply for a social security number for all members who wish to be included as a household member prior to certification. However, the household must declare or apply for a social security number for all members who wish to be included as a household member prior to being certified for additional months. See SNAP 2200 for a full explanation of the SSN requirement.

9443 Work Registration

SNAP Manual 04/01/2022

All non-exempt household members are automatically work registered when the application form is signed. Household members, who claim a work registration exemption due to disability, must provide verification of the exemption unless the disability is obvious (see SNAP 3230).

Verification of a work registration exemption shall not delay expedited service. If the member who claims the disability is subject to the Requirement To Work (RTW), he or she will not be referred to the ~~E&T~~ Employment and Training (E&T) Program. However, he or she will be referred at the next certification if verification of disability is not provided.

For households with a member who must meet the RTW, the imposing of a RTW penalty or the granting of a discretionary exemption will not be delayed. However, the process of verifying RTW compliance may be delayed. See SNAP 3600 for additional information.

9444 Alien Status

SNAP Manual 04/01/2022

Expedited service only provides for postponing verification. If an individual will not declare basic information about citizenship or alien status, there is no basis on which to allow the individual to participate in the Supplemental Nutrition Assistance Program. He or she will be classified as an ineligible alien when the application is processed. See SNAP 1621.6.

If an alien states he or she meets one of the conditions under which non-citizens may participate in the Supplemental Nutrition Assistance Program (see SNAP 1621.8) and wishes to be included in the SNAP household, the worker will ask the household to supply documentation of his or her alien status. If the household cannot supply this documentation within the expedited processing timeframes, verification will be postponed. The alien will be allowed to participate. However, the required documentation must be provided at the time of the next application if the alien is to continue participating in the Supplemental Nutrition Assistance Program.

9445 Resources

SNAP Manual 04/01/2022

Countable liquid resources include cash on hand, checking and savings accounts, stocks and bonds, and lump sum payments. See SNAP 7431 for instructions on denying an application when the household resources exceed the limits.

Applications from expedited households with non-liquid resources which exceed the resource limit will be denied. The resource limits are:

1. Three thousand and five hundred dollars ($3,500) for households, including one (1) person households, with an age sixty (60) or older member or a member living with a disability as defined in the Glossary definition of age sixty (60) or older individual living with disabilities household; and

2. Two thousand two hundred and fifty dollars ($2,250) for all other households.

9446 Income

SNAP Manual 04/01/2022

Other than destitute households, income for expedited households will be budgeted prospectively. See SNAP 7100 for instructions on prospective budgeting. See SNAP 6622 for special provisions on selecting the utility standard when the household is entitled to expedited service. See SNAP 9600-9630 for instructions about the budgeting procedures for destitute households.

9500 Assigning Certification Periods

SNAP Manual 04/01/2022

Normal certification periods shall be assigned to households approved under expedited guidelines when:

1. Verification is not needed or eligibility factors were substantiated;
2. SSN requirements are fulfilled; and
3. Work registration requirements are met.

Either a one- or two-month certification period will be assigned to households approved under expedited guidelines. A one-month certification period will be assigned when the expedited application was filed on or before the fifteenth day of the month. A two-month certification period will be assigned when the expedited application was filed on or after the sixteenth day of the month and approved the same month.

When a household submits an expedited application after the fifteenth of the month and that application is approved before the end of the month, the household is issued aggregate benefits for the month of application and the following month. For this reason, a two-month certification is usually assigned. See SNAP 8651 for a full explanation of aggregate benefits.

9501 Households Certified with Verification Postponed

SNAP Manual 04/01/2022

Households certified as expedited with verification postponed must satisfy all verification requirements in order to be certified under normal processing standards. Once all the requested information has been received, the last application will be re-registered as of the date all requested information is received and completed under normal processing standards.

9510 Notices/Forms

SNAP Manual 04/01/2022

Certain forms and notices are provided to all eligible households (including expedited households) when an application is approved.

These forms and notices are listed below. The policy reference indicates where detailed information regarding the form or notices may be found.

Notice of Action - The notice will be issued automatically unless additional information must be provided - e.g., the household is certified pending verification. The notice must explain that the household must satisfy all verification requirements that were postponed. The notice must also include the last date within the following twelve (12) months that the postponed verification can be provided.

Notice of Expiration- The notice will notify the household of the expiration of the certification period.

Change Report Form - The form will be issued to all occasional reporting households. Its use must be explained. Both a *Change Report Form* and a *CHANGE REPORT ADDENDUM: The Limited Reporting Requirements* will be issued to all limited reporting households.

SNAP Semi-Annual Reporting - a pamphlet explaining semi-annual reporting, will be provided to any household subject to semi-annual reporting.

9600 Destitute Households

SNAP Manual 04/01/2022

Destitute households are migrant or seasonal farmworker households that have little or no income at the time of application.

A migrant is an individual who travels away from home on a regular basis with a group of laborers to seek employment in an agriculturally related activity.

A seasonal farmworker is an individual who travels away from home on a regular basis to seek employment in an agriculturally related activity.

Even though a destitute household may receive income at some other time during the month of application, household members may be in immediate need of food assistance.

There are three income-related criteria under which migrant or seasonal farmworker households may be considered destitute.

1. The household's only income for the month of application is from a new source and no more than twenty-five dollars ($25) from the new source will be received by the tenth calendar day after the date of application. Income normally received on a monthly or more frequent basis is considered to be from a new source if less than twenty-five dollars ($25) was received from that source in the thirty (30) days prior to the date of application.
   Example: A migrant farmworker applies for SNAP benefits on July 15. He reports that he last worked picking tomatoes on June 16 and received fifteen dollars ($15) in wages for that day's work. He expects to go back to work for the same grower picking okra on July 25. This income is considered to be from a new source. Income normally received less often than monthly is considered to be from a new source if less than twenty-five dollars ($25) was received at the last normal pay interval.
2. The household's only income for the month of application was received prior to the date of application from a terminated source. Income received on a monthly or more frequent basis is considered to be from a terminated source when no more income will be received from that source during the month of application or the following month.

3. The household received income from a terminated source prior to the date of application and expects income of twenty-five dollars ($25) or less from a new source within ten (10) calendar days of the date of application.

Apply this criterion only if the household is to receive no other income in the month of application.

9610 Sources of Income for Destitute Households

SNAP Manual 04/01/2022

The "grower," for whom the migrant or seasonal farmworker is working at a particular time, is considered to be the farmworker's source of income. A farmworker who travels with the same crew chief but moves to a different grower is considered to have both terminated and new income sources.

A farmworker who changes jobs but continues to work for the same grower is considered to have income from the same source.

A self-employed household member who secures contracts or other work from different customers is considered to be receiving income from the same source as long as he is self-employed. For example, a "crew chief" may contract with a grower to pick a crop for a set amount. The farmworkers are paid from this amount. The crew chief is self-employed. Moving from one grower to another will not result in terminated income for the crew chief.

9620 Determining Income for Destitute Households

SNAP Manual 10/01/97

Destitute households are entitled to special income calculation procedures.

1. Include the income from the terminated source if received between the first of the month and the date of application.
2. Disregard income from a new source anticipated to be received after the date of application.
3. Exclude a travel advance received by a migrant or seasonal farmworker as a reimbursement unless paid under written contract as an advance on wages to be subtracted from earnings. In that case, count the advance as income.

The receipt of a wage advance for travel costs does not affect the determination of whether subsequent payments from the employer are a new source of income. Neither will these advances affect whether a household is considered destitute.

9621 Limits on Special Income Calculations for Destitute Households

SNAP Manual 04/01/2022

The special income calculations will be applied at initial application for the first month of the certification period only. At recertification, income from a new source of less than twenty-five dollars ($25) will be disregarded if not received by the 10th calendar day after the date of the household's normal issuance date.

9630 Postponing Verification for Destitute Households

SNAP Manual 04/01/2022

Migrant and seasonal farmworker households classified as destitute households applying after the fifteenth of the month may be assigned a certification period longer than one (1) month. These households will be notified via *Notice of Action* that postponed verification from sources within the state must be provided prior to issuance of the second month's allotment.

10100 Recertification – Summary

SNAP Manual 01/01/2021

When an eligible household applies for continued participation in the Supplemental Nutrition Assistance Program (SNAP) within thirty (30) calendar days of the last day of the month in which the household's certification period expired, the application is classified as a recertification.

10110 Regular Households

SNAP Manual 01/01/2021

Regular households will complete the recertification application to apply for continued participation in the Supplemental Nutrition Assistance Program (SNAP).

A eligibility worker will review the information provided with the application and request additional information if not supplied by the household – e.g., if income verification was not available through *The Work Number*, the worker will send an earned income verification statement to the household. A *Notice of Recertification Appointment* will be attached if additional information is needed and a BRM envelope will be supplied for the household to return information.

An eligibility worker will conduct an interview by telephone, face-to-face, or virtually. During the interview, the eligibility worker will request any additional information needed to complete the application.

If the household does not appear for an appointment or is not available at the appointed time for the telephone interview, the eligibility worker will issue a *Notice of Missed Appointment* to the household. If the household does not request another appointment for an interview, the application for recertification will be denied.

If the household is interviewed, the worker either will determine eligibility or request additional information, *Request for Information*.

10120 Elderly Simplified Application Project (ESAP)

SNAP Manual 01/01/2021

The recertification process begins when a system-generated packet containing an application for recertification and the notice of expiration are mailed directly to the household. The

recertification packet will also supply the household with information about their rights and responsibilities and will contain a list of information the household should submit with the application. If the household wishes to reapply, an application must be submitted to the Department of Human Services (DHS).

Households assigned an extended certification that complete the recertification application are not required to be interviewed in order to determine continued participation in the Supplement Nutrition Assistance Program (SNAP) with the following exceptions:

- The household requests an interview;
- The recertification appears to be a denial; or
- The county has outstanding issues or questions regarding the request for recertification.

When the recertification application is received by the agency, an eligibility worker will review the information sent by the household and take the necessary action to process the application.

A telephone, virtual, or face-to-face interview is not required for households certified longer than twelve (12) months unless requested. During the interview, the eligibility worker will review the application with the household.

The application cannot be denied for recertification without contacting the household. All scheduled attempts must be documented in the eligibility system narrative.

10130 Applications for Recertification Filed at SSA Office

SNAP MANUAL 01/01/2021

Households in which all members receive or have applied for Supplemental Security Income (SSI) may apply for recertification at the Social Security Administration (SSA) office. See SNAP 8920. These applications will be forwarded to the correct county office as instructed in SNAP 8930. Application processing must occur in accordance with SNAP 10600 - 10630 if the application was timely submitted to the SSA office. Untimely submitted applications will be processed in accordance with SNAP 10700. These households have the option of applying for SNAP benefits at the SSA office, but it is not a requirement.

10200 Receipt of a Notice of Expiration

SNAP MANUAL 01/01/2021

All currently certified households, including households certified longer than twelve (12) months will be issued a recertification packet so that the packet will be received by the household during the next-to-last month in the household's certification period.

Households certified for one (1) month or for two (2) months must be provided with a recertification packet at the time of certification in the second month of the application processing period. The packet will be accompanied by a recertification application for scheduling the household's next telephone, virtual, or face-to-face interview.

To assist an expedited household in reapplying for continued Supplemental Nutrition Assistance Program (SNAP) benefits, the eligibility worker must explain the recertification process and schedule the recertification appointment with the household during the initial interview. This is not a requirement but can aid in preventing no-show appointments.

10210 Contents of the Notice of Expiration/Application for Recertification

SNAP MANUAL 01/01/2021

The recertification packet will provide the following information:

- The budget unit ID number.
- The date the current certification period ends.
- The name of the head of household and the household's address.
- The address of the office where the application must be filed.
- A statement explaining that in order to receive uninterrupted benefits the household must return the application by the specified date, participate in any scheduled interviews if required, complete the processing steps, and provide all required verification.
- An explanation that the household may submit the recertification application by mail, in person or electronically via a fax machine. Recertification applications are not available through Access Arkansas.
- A statement of the household's right to have an application accepted if it is signed and contains a legible name and address.

- An explanation of the interview requirement and the household's option to request a face-to-face interview instead of a telephone interview.
- An explanation of the consequences of failure to comply with the notice of expiration.
- An explanation of the household's right to request an administrative hearing.

The recertification packet is system-generated on the fifteenth day of the month prior to the last month of certification and is mailed directly to the household on the sixteenth day.

The following information will be printed on the recertification application:

- Casehead name and budget unit ID number
- Household's address
- County office name, address, and telephone number
- The date eligibility ends, the last day of the last month of the certification period
- Due date, the first day of the last month of the certification period

All contents of the recertification application and explanation of rights and responsibilities will be available online. See SNAP 10900.

A recertification packet must be prepared and issued to the household when:

- The household is certified for one (1) month or for two (2) months; for example, expedited households, in the second month of the application period; or
- When the household is certified for two (2) or four (4) months and the date of certification occurs too late for a recertification packet to be automatically generated for the household; or
- When there is a change of address processed after extract date.

All recertification packets must contain the same information no matter how the packet is prepared (manually or system generated), including a recertification application and an explanation of rights and responsibilities. Along with the recertification packet, households certified for one (1) or two (2) months and issued a *Notice of SNAP Recertification Appointment* to schedule a date and time for a telephone, virtual, or face to face interview. See SNAP 10510.

10300 Timely Submission of an Application for Recertification

SNAP MANUAL 01/01/2021

For households certified for one (1) month or for two (2) months, an application must be filed within fifteen (15) days of the date the recertification packet is manually issued to be considered timely. See SNAP 10210.

For households certified for four (4) or twelve (12) months, a recertification application submitted by the fifteenth day of the last month of certification is timely filed.

10310 Uninterrupted Benefits

SNAP MANUAL 01/01/2021

An eligible household that submits a timely recertification application is entitled to uninterrupted benefits. A timely filed recertification application must be approved or denied by the end of the household's current certification period. If a timely recertification application is approved, the Supplemental Nutrition Assistance Program (SNAP) benefit for the first month of the new certification period must be received according to the regular issuance schedule.

10400 Untimely Submission of an Application for Recertification

SNAP MANUAL 01/01/2021

A recertification application received after the household's deadline to timely file, but within thirty (30) days of the last day of the month in which the household's certification period expired, is classified as an untimely application. A household submitting an untimely recertification form loses the right to uninterrupted benefits.

Supplemental Nutrition Assistance Program (SNAP) benefits for the first month of the certification period will not be prorated if the household applies before the end of its current certification period and there are no delays in the processing of the application. Benefits will be prorated for eligible households that reapply after their certification period expires, even though the application is classified as a recertification.

10500 The Recertification Interview

SNAP MANUAL 01/01/2021

Households that submit a timely recertification application must be interviewed before the end of their current certification period. No appointment for an interview will be scheduled until a household's recertification application is received in the county office. Households that submit a recertification application will be scheduled a telephone interview unless the household requests a face-to-face or virtual interview, or the household does not have a telephone.

10510 Scheduling Recertification Interviews

SNAP MANUAL 01/01/2021

The household will be mailed or handed a *Notice of Recertification Appointment* to schedule an appointment for a telephone or face-to-face interview no later than the end of the first workday following the day that a household returns a recertification application.

Households certified for one (1) or two (2) months and given a manually prepared recertification packet as instructed in SNAP 10210 will be manually given a *Notice of Recertification Appointment* to schedule a date and time for a telephone, virtual, or face-to-face interview.

As part of the scheduling process, the county office will evaluate the information provided by the applicant to determine if all required information was submitted with the recertification application. If the applicant has not submitted required verification with the application, an eligibility worker will complete the *Notice of Recertification Appointment* indicating the appointment date and time and the specific information that the household needs to supply.

10511 Conducting Recertification Interviews

SNAP MANUAL 01/01/2021

On the day of the scheduled telephone interview, an eligibility worker will attempt to reach the household by telephone at the designated interview time. If no one answers the telephone or if there is a busy signal, an eligibility worker will attempt to contact the household two (2) more times within the time allowed for the interview.

If an automated message indicates that the telephone has been disconnected or is out-of-order, additional attempts are not required. If someone answers the telephone but indicates that the household member needed to conduct the interview is not available during the scheduled interview time, the eligibility worker will send a *Notice of Missed Appointment*.

10511 Conducting Recertification Interviews

All attempts to reach the household will be documented in the eligibility system narrative tab.

Telephone interviews may be conducted with the casehead, spouse, any responsible household member, or an authorized representative. The household, not the eligibility worker, will designate the individual to be interviewed.

Telephone interviews must not be conducted in areas where individuals other than Department of Human Services (DHS) employees can hear the interviews.

The interview will consist of:

- An introduction, including the eligibility worker's name, location, and an explanation of the reason for the interview (such as determine if the household remains eligible to participate in the Supplemental Nutrition Assistance Program (SNAP), or to receive an Electronic Benefit Transfer (EBT) card). A brief explanation of the information provided with the recertification application, including the household's rights and their responsibilities to report changes.
- A review of the information provided on the recertification application. If the worker adds information to the application based on the household's responses to questions posed during the interview, any additional information discussed during the interview will be narrated in the eligibility system.
- If the household needs to provide additional information before the recertification application can be processed, the worker will orally explain to the household the information that is needed, how the household can supply the needed information, and the date by which this information must be supplied. A *Request for Information* will be manually issued to the household.
- The household will be asked if they need another *Change Report Form*. If the household indicates that another form is needed, a *Reporting Requirements Addendum* will be mailed to the household if the application is approved. See SNAP 10820 detailing required forms and notices.
- If the application is approved or denied during the application interview, the eligibility worker will verbally provide an explanation of the action taken. An approval or denial notice will be issued. If the application is approved, the household's change reporting requirement will be explained.

The use of a telephone interview must not affect the length of the household's certification period. See SNAP 8710 assigning certification periods.

10520 Failure to Participate in Scheduled Interview

SNAP MANUAL 01/01/2021

If a household timely files an application, an appointment will be scheduled. See SNAP 10510. If a telephone interview is scheduled, but the household fails to complete the interview process, or fails to appear for a scheduled face-to-face or virtual interview, the application will not be denied at the time of the missed interview.

See SNAP 10610 explaining the processing standards for timely filed applications submitted by households certified for one (1) or two (2) months.

See SNAP 10620 explaining processing standards for other timely-filed applications for recertification.

See SNAP 10700 explaining processing standards for untimely filed applications.

Failure to participate in a scheduled telephone interview will include:

- Failure to answer the telephone at the appointment time and subsequent attempts;
- Automated message that indicates that the telephone has been disconnected; or
- Automated message that indicates that the telephone is out of order.

A *Notice of Missed Appointment* will be mailed to the household if the household fails to participate in the interview, regardless of whether the household requests another appointment.

At recertification, the *Notice of Missed Appointment* must inform the applicant that the household missed the scheduled interview, and that the household is responsible for contacting the local office to reschedule the interview. The notice should be sent as soon as possible after the appointment is missed.

Another interview will be scheduled upon the household's request. If the rescheduled interview is conducted, but additional information is needed, it may be necessary to extend the application processing period by up to ten (10) days to allow the household adequate time to provide the information. See SNAP 10630. To allow households time to request a second interview, all telephone and face-to-face interviews for recertification should be scheduled as early in the month as possible.

10550 Verification at Recertification

SNAP MANUAL 01/01/2021

When either a timely or an untimely application for recertification is processed, the eligibility worker must verify changes in income, if the source has changed or the amount has changed by more than twenty-five dollars ($25.00). Previously unreported medical expenses and the total of non-recurring medical expenses that have changed by more than twenty-five dollars ($25.00) must also be verified. The eligibility worker must verify changes in dependent care costs when the household reports a change in amount paid or a change in provider. Previously unreported dependent care costs must be verified.

Income, total medical expenses, or actual utility expenses that the household claims have changed by twenty-five dollars ($25.00) or less need not be verified unless this information is incomplete, inaccurate, inconsistent, or outdated.

Alien status and residency will be verified if there has been a change. For example, if an ineligible alien claimed qualified status, that member would be required to furnish verification of his or her Social Security number (SSN). See SNAP 2200. Unchanged information will not be verified, unless the reported information is incomplete, inaccurate, inconsistent, or outdated as defined in the glossary.

The eligibility worker should assist the household in obtaining such verification, if assistance is needed.

10560 Determining Eligibility

SNAP Manual 01/01/2021

At recertification, eligibility will be determined prospectively for all households. See SNAP 7100.

10600 Timely Processing of Applications for Recertification

SNAP MANUAL 01/01/2021

A timely filed recertification application, as defined in SNAP 10300, will be processed in accordance with the standards specified in SNAP 10610 - 10630.

10610 Thirty Days After Last Benefits Were Issued

SNAP MANUAL 01/01/2021

A timely filed application from a household that was certified for one (1) or two (2) months and provided with a recertification packet at the time of certification must be processed within thirty (30) days from the date of the household's last issued Supplemental Nutrition Assistance Program (SNAP) benefits. See SNAP 10200.

Processing includes the following items:

1. Scheduling an appointment for an interview.
2. Reviewing the application and determining if the household supplied all needed information.
3. Conducting the interview.
4. Determining the household's eligibility or ineligibility. See the glossary definition of "Verification" for the items that must be verified at recertification. If the household must supply verification, the eligibility worker will issue a *Request for Information*. If the household needs assistance in obtaining the needed information, the eligibility worker will provide this assistance.
5. Notifying the household if it is eligible or ineligible via a *Notice of Action.* In most cases, the Department of Human Services (DHS) system notice will be auto generated. If a manual notice is needed, the eligibility worker must use a *Notice of Action Form*.

10620 By End of Current Certification Period

SNAP MANUAL 01/01/2021

When a household timely files an application by the fifteenth day of the last month of its certification period, the application must be approved or denied by the end of the certification period, unless the household must be allowed additional time to provide information. See SNAP 10630.

Processing includes the following actions:

1. Reviewing the application and determining if the household supplied all needed information.
2. Scheduling an appointment for an interview if the household has so requested.
3. Conducting the interview.
4. Determining the household's eligibility or ineligibility. See the glossary definition of "Verification" for the items that must be verified at recertification. If the household must supply verification, the eligibility worker will issue a *Request for Information*. If the household needs assistance in obtaining the needed information, the worker will provide assistance.
5. Notifying the household if it is eligible or ineligible via a *Notice of Action*. An automatically system generated notice is issued at recertification for most approvals and denials.

The application must not be denied before the last day of the last month of the current certification period, unless the household has been determined to be ineligible. The household must be given at least until the close of business on the last day of the last month of the current certification period to provide needed information. If holding the application until the last day of the last month of the current certification period will not give the household ten (10) calendar days to provide the needed information, the household's application processing time must be extended by ten (10) calendar days. See SNAP 10630.

10630 Extending Processing Time to Obtain Verification

SNAP MANUAL 01/01/2021

If the household must supply verification, the eligibility worker will issue a *Request for Information*. A household submitting a timely filed recertification application will normally have until the last day of their current certification period to provide all required verification. If there is less than ten (10) calendar days between the date of the interview, including rescheduled interviews, and the end of the household's current certification period, the application processing time must be extended. For example, if a household is interviewed on June 26 and must supply additional verification, the application processing period will be extended until July 6, or if the sixth occurs on a holiday or weekend, the first workday following the sixth.

If the deadline for providing missing verification occurs after the end of a household's current certification period and the verification is provided by the deadline, the recertification must be completed within three (3) days of receipt of the verification. Supplemental Nutrition Assistance

Program (SNAP) benefits must be issued to an eligible household no later than the fifth day after the date the verification was supplied. The household's benefits will not be prorated.

If a household does not supply the missing verification on or before the extended deadline, the application will be denied. However, if the household submits the needed information within thirty (30) days of the last day of the end of the household's last month of certification, the application will be reinstated. See SNAP 10650.

10650 Delays in Processing - Timely Filed Applications

SNAP MANUAL 01/01/2021

A timely filed application from a household certified for one (1) month or two (2) months is one that was submitted within fifteen (15) days after the date that the recertification packet was issued. A timely filed application from a household certified for four (4) months or longer is one that was submitted before the fifteenth day of the last month of the certification period.

All timely filed applications not approved or denied by the end of the household's current certification period must be assessed to determine if the household or the county office was at fault for the delay in processing.

If the county office is at fault for the delay in processing a timely filed application, the household's SNAP benefits will be authorized as soon as possible. Benefits for the first month of the new certification period will not be prorated. If the household is at fault for the delay in processing, the application will be denied.

10651 Reinstatement of Timely Filed Applications

SNAP MANUAL 01/01/2021

If a household that has submitted a timely-filed application does not complete the application process, the application will be denied. However, if the household takes the actions needed to complete the application process within thirty (30) days of the last day of the household's last certification period, the application will be reinstated or re-registered with the date the requested information was received. If the application is denied and is later reinstated, but the household was unable to participate in the first month of its new certification period due to an agency-caused delay in processing, restored benefits must be provided to the household for that month.

10700 Processing Standards - Untimely Applications for Recertification

SNAP MANUAL 01/01/2021

Any untimely filed recertification application will be treated as an initial application. Supplemental Nutrition Assistance Program (SNAP) benefits must be authorized within thirty (30) days of the date of application for any eligible household that submits an untimely application. If a recertification application is received after the household's certification period has expired, but within thirty (30) days after the end of the certification period, the application will be handled as an untimely application for recertification. In this case, the first month's SNAP benefit amount will be prorated. Such applications will be handled under the processing standards for initial applications. See SNAP 8500-8530.

Households submitting untimely applications for recertification are subject to the verification guidelines for recertification. See the glossary definition of "Verification" for an explanation of the verification requirements at recertification.

Processing includes the following actions:

1. Reviewing the application and determining if the household supplied all needed information.
2. Scheduling an appointment for an interview if requested.
3. Conducting the interview.
4. Determining the household's eligibility or ineligibility. See the glossary definition of "Verification" for the items that must be verified at recertification. If the household must supply verification, the eligibility worker will issue a *Request for Information*. If the household needs assistance in obtaining the needed information, the eligibility worker will provide assistance.
5. Notifying the household if it is eligible or ineligible via a *Notice of Action*. In most instances, a system notice will be auto-generated. If a manual notice is required, the eligibility worker must use a *Notice of Action.*

10710 Delays in Processing - Untimely Applications

SNAP MANUAL 01/01/2021

A recertification application or a *Request for Assistance* form can be used for recertification. If the application or the form is received after the household's deadline to timely file, but within thirty (30) days of the last day of the end of the household's last certification period, it will be

classified as an untimely application. The eligibility worker must determine fault for the delay in processing at the end of the thirty (30) day application processing period.

If the application is approved and the county office was at fault for the delay in processing, benefits for the first month of the new certification period will not be prorated. If the household was at fault for the delay in processing, benefits will be prorated to the date the household supplied the needed information or otherwise complied with the program requirement.

10711 Reinstatement of Untimely Filed Applications

SNAP MANUAL 01/01/2021

If the household does not complete the application process, the application will be denied. However, if the household takes the actions needed to complete the application process within sixty (60) days of the date the untimely recertification form was filed, the application will be reinstated.

If an application is denied and is later reinstated, but the household was unable to participate in the first month of its new certification period due to an agency-caused delay in processing, restored benefits must be provided to the household for that month.

10820 Forms and Notices Issued at Recertification

10820 Forms and Notices Issued at Recertification

SNAP MANUAL 01/01/2021

If the household is no longer eligible to participate in the Supplemental Nutrition Assistance Program (SNAP), a denial notice must be issued. Most denial notices can be issued automatically.

Each eligible household must be provided with an approval notice. Most approval notices can be generated systematically. If any household member is subject to the work registration requirement, a *Notification of Work Registration* will be generated systematically. A change report form and a change report addendum will be mailed to the household to ensure that the household has been advised of their correct reporting requirements.

If a household becomes subject to semi-annual reporting requirements at recertification, a copy of the pamphlet entitled *Semi-Annual Reporting* will be given or mailed to the household. The eligibility worker must explain the contents of the publication to the household.

10900 Elderly Simplified Application Project (ESAP)

SNAP MANUAL 01/01/2021

The Elderly Simplified Application Project (ESAP) is designed to simplify the Supplemental Nutrition Assistance Program (SNAP) application and verification process for persons aged sixty (60) or older or individuals living with a disability. ESAP eligibility is limited to households that have no earned income, that receive no child support deduction, and do not include minor dependent children. Households meeting these criteria will be certified for thirty-six (36) months.

Households certified for thirty-six (36) months must reapply within thirty (30) days of the last month of the certification period to continue to receive SNAP benefits. These households will complete the required recertification application to recertify for SNAP. There is not an interview requirement for these households in order to apply for continued participation in SNAP, unless one (1) of the following exceptions exists:

- The household requests an interview;
- The recertification appears to be a denial; or
- The county has outstanding issues or questions regarding the request for recertification.

The application may not be denied for recertification without attempting to schedule an interview. All scheduling attempts must be documented in the eligibility system.

10910 Processing Standards

SNAP MANUAL 01/01/2021

At recertification, Elderly Simplified Application Project (ESAP) households must return the recertification application no later than the fifteenth day of the month the household receives the recertification form. If the fifteenth day of the month falls on a weekend or holiday, the deadline for receipt will be extended to the first workday following the fifteenth. Failure to return the recertification application by the deadline will result in case closure if the recertification application is not received by the last day of the month.

When a household returns a signed recertification application by the fifteenth day, the state agency must process the report before the end of the month. Any signed recertification application returned before the end of the thirty-sixth month of certification must be processed. When a recertification application is processed after the end of the month, the household's benefits must be reinstated if the case has been closed.

10920 Telephone Contact

SNAP MANUAL 01/01/2021

The state agency is required to contact the household to confirm information provided on the recertification application when there is a potential denial of the application. The household must be contacted by telephone before the application can be processed.

During the recertification review contact, the eligibility worker will review the information presented on the recertification application with the household to ensure the household confirms the information provided on the application is correct before denying the application.

11100 Reporting Requirements – Summary

SNAP Manual 09/01/2022

Ongoing Supplemental Nutrition Assistance Program (SNAP) eligibility and benefit amounts are based on a household's current situation. To ensure current information about a household is available, reporting requirements are imposed on all households that apply for SNAP benefits and all households that receive SNAP benefits. There are two (2) types of reporting requirements: occasional reporting and limited reporting. Occasional reporters are subject to the regular reporting requirements. This means that the household must report specified changes within ten (10) days of the date the change becomes known.

Limited reporters are required to report when the household's gross income exceeds the household's gross income limit. Some limited reporting households are assigned a four (4)-month certification period. These households have no other reporting requirements. Other Limited reporting households are assigned to six (6)-month certification period.

11110 Subsequent Reviews

SNAP Manual 01/01/2021

Department of Human Services (DHS) county offices may not require households to report for an in-office interview during their certification period, although they may request households to do so. For example, the DHS county office may not require Supplemental Nutrition Assistance Program (SNAP) households to report for an in-office interview simply to review their case files or for any other reason.

11120 Refusal to Cooperate Following Certification

SNAP Manual 05/01/2022

If a household currently participating in the Supplemental Nutrition Assistance Program (SNAP) refuses to cooperate in any subsequent eligibility review, the SNAP case will be closed. Subsequent reviews include:

1. Requests for information, verification, or compliance with a program requirement following a report of a change by the household. See SNAP 11420, SNAP 11440, and SNAP 12400.
2. Requests for information, verification, or compliance with a program requirement following a report from a source other than the household. See SNAP 12400.
3. Requests for information, verification, or compliance with a program requirement at recertification. See SNAP 10550.
4. Requests for an interview or information necessary to complete a quality assurance review, including the household's signature on consents for information needed by the quality assurance worker. See SNAP 801.
5. Requests for the household to participate in any special reviews conducted by the county for targeted households, See SNAP 12400.

Any household that refuses to cooperate in a subsequent eligibility review may reapply for SNAP benefits, but will not be found eligible, until the household cooperates with the county office. There is one (1) exception. A household that refuses to cooperate in the quality assurance review process may reapply after the end of the review period and be found eligible.

11200 Changes Required to be Reported

SNAP MANUAL 04/01/2024

The following changes must be reported to the Department of Human Services (DHS) county office:

1. **Changes in Residence or Address**

   All changes in residence must be reported. If a change in residence results in a change in the household's shelter cost, the new shelter cost must be reported. For occasional reporters as defined in SNAP 11100, these changes must be reported within ten (10) days of the date that the change becomes known to the household. Households are encouraged to voluntarily report address changes immediately to prevent problems with mail delivery.

   If an eligibility worker verifies through any source that a household has moved from Arkansas to another state, the household's case must be closed. This policy applies across the board to all Supplemental Nutrition Assistance Program (SNAP) households, regardless of the household's reporting requirements. No advance notice is required See SNAP 11450 and SNAP 11571. If the worker suspects the household has moved from the State of Arkansas, but the household's residency has not been verified through a reliable source, a request for contact will be sent as instructed in SNAP 12400.

2. **Changes in Household Composition**

   The addition or loss of any eligible or ineligible household member must be reported. For occasional reporters, this change must be reported within ten (10) days of the date the change becomes known to the household. Limited reporters must report this change at the next recertification.

3. **Changes in Resources**

   For occasional reporting households, the acquisition of any licensed vehicle must be reported. For limited reporting households these changes must be reported at the next recertification. This includes the acquisition of an additional vehicle or the "trading" of one (1) vehicle for another vehicle.

Changes that attest to resources exceeding the limit must be verified. If the resources exceed the limit, the case will be closed unless the household is categorically eligible.

Households must report when liquid resources go beyond the resource limit for the household. Lottery and gambling winnings, equal to the resource limit for aged or disabled households, must be reported within ten (10) days of receipt for both limited and occasional reporters. See Appendix D for the resource amount.

For occasional reporters, these changes must be reported within ten (10) calendar days of the date that the change becomes known to the household.

4. Changes in Income

Limited reporters are required to report when the household's gross income exceeds the household's gross income limit. This change must be reported within ten (10) calendar days of the end of the month in which the change occurred. If the tenth day falls on a weekend or holiday, the reporting time will be extended to the end of the next workday. A *Change Report Form* and a change report addendum must be issued to all limited reporting households in order to report such changes.

Self-employment income that has been annualized must be reported and verified when the recertification report is submitted.

Limited reporters must report and verify changes of more than one hundred dollars ($100) in unearned income and changes in sources of unearned income when the recertification is submitted.

Occasional reporters must report the following changes in both earned and unearned income within ten (10) days of the date that the change becomes known to the household:

- Changes in a source of income. This includes new income from any source or income from any source that has stopped.
- Changes in the household's total gross monthly income. This includes both increases and decreases in income.

Neither changes in Transitional Employment Assistance (TEA) cash assistance payments nor the receipt of child support refunds paid to TEA recipients need be reported by either limited reporters, or occasional reporters. These changes must be reflected in the household's SNAP benefit amount. See SNAP 12410 - 12420. This applies to both limited reporters and occasional reporters. See SNAP 5704.1.

5. Changes in Deductions

Limited reporters do not have to report changes in deductions until recertification. Limited reporters must report and verify child support payments when the recertification is submitted if these payments will continue to be deducted. Both occasional reporting and limited reporting households are allowed, but not required to, report changes in shelter costs, dependent care costs, or medical costs.

11300 Reporting Requirements

SNAP MANUAL 09/01/2022

11310 Applicant Households

SNAP MANUAL 05/01/2022

During the application interview, all applicants must report changes that occur after the application is prepared. After the application interview, only occasional reporters must report changes that occur after the interview, but before the application is approved, within ten (10) calendar days of the date of the approval notice.

11320 Categorically Eligible Households

SNAP MANUAL 01/01/2021

Categorically eligible households have the same reporting requirements as any other household. If a categorically eligible household becomes ineligible or categorically eligible, the household becomes subject to applicable income and resource limitations. If a regular household or a household with a person aged sixty (60) or older or individuals living with a disability reports a change, and as a result becomes categorically eligible, the income and resource limitations will no longer apply.

11340 Limited Reporting Households

SNAP MANUAL 09/01/2022

Limited reporting households are required to report:

1. When the household's gross income exceeds the household's gross income limit.
2. When household members subject to the requirement to work begin to work less than twenty (20) hours per week.

This change must be reported within ten (10) calendar days of the end of the month in which the change occurred. If the tenth day falls on a weekend or holiday, the reporting time will be extended to the end of the next workday. A *Change Report Form* and a change report addendum must be issued to all limited reporting households at recertification.

Two (2) different categories of households are subject to the limited reporting requirements: households certified for four (4) months and households certified for six (6) months. See SNAP 11341-11342.

At initial application, recertification, and when households become subject to limited reporting, eligibility workers must tell households what is required as a limited reporting household. A publication explaining the household's reporting requirements will be mailed.

11341 Households Certified for Four Months

SNAP MANUAL 05/01/2022

The following households may be assigned a four (4) month certification period. See SNAP 8710:

- Certain homeless households
- Able-bodied adults
- Households with members who are on strike
- Certain self-employed households
- Migrant and seasonal farmworker households who expect to remain in the state

Households assigned a four (4) month certification period have no additional reporting requirements. All changes in the household's circumstances must be reported at the household's next certification or recertification. Changes reported before the household's next recertification will be processed according to the standards in SNAP 11410. Any action taken in a Transitional Employment Assistance (TEA), or Medicaid case must also be reflected in the Supplemental Nutrition Assistance Program (SNAP) case. This includes changes reported to a TEA or Medicaid worker under that program's rules.

11342 Households Certified for Six Months

SNAP MANUAL 09/01/2022

In addition to the reporting requirements in SNAP 11300, households certified for six (6) months, as defined in SNAP 11100, must report and verify earned income when the recertification form is submitted.

Changes reported independent of the limited reporting requirements will be processed according to the standards in SNAP 11410. Any action taken in a Transitional Employment Assistance (TEA), or Medicaid case must also be reflected in the Supplemental Nutrition Assistance Program (SNAP) case. This includes changes reported to a TEA or Medicaid worker under that program's rules. Changes in the amount of TEA cash assistance must be reflected in the SNAP case. This applies to both limited reporting and to occasional reporting households. See SNAP 12410 - 12420.

The limited reporting household must report required changes at recertification. If the household's failure to report those changes results in an over issuance or under issuance, the household will be considered at fault. If an under issuance occurs because the household failed to report a change at recertification, no restored benefits will be issued to the household. See SNAP 13000. If an over issuance occurs, an overpayment will be prepared as instructed in SNAP 15400.

11350 Occasional Reporters

SNAP MANUAL 01/01/2021

Households classified as occasional reporters as explained in SNAP 11100 must report the changes specified in SNAP 11200 within ten (10) calendar days of the date the change becomes known to the household. Occasional Reporters may report changes on a *Change Report Form* or may send a letter describing the change. Changes may also be reported by telephone or in person.

An occasional reporting household that fails to timely report a change is considered at fault for any resulting over issuances or under issuances of Supplemental Nutrition Assistance Program (SNAP) benefits. If an under issuance occurs because the household failed to timely report a change, no restored benefits will be authorized. If an over-issuance occurs, an overpayment will be prepared as instructed in SNAP 15400.

11400 Special Instructions – Occasional Reporters

SNAP MANUAL 01/01/2021

The following actions must be taken on all changes reported by occasional reporters:

1. Record the change.
   Each county must devise a record of changes reported by occasional reporters. The minimum requirements for the record are the name and the Social Security number (SSN) of the head of household, the date the change was received, and the date the change was completed. Other information may be captured if desired by the county office.
2. Document the case record with the date the change was received.
   Any *Change Report Form* or letter submitted by a household must be date stamped on the day received. A *Telephone Report* must be dated with the date the change was reported.
3. Provide the household with a new *Change Report Form* and business reply mail envelope.
4. Provide the household with a notice. See SNAP 11440.

11410 Processing Standards for Occasional Reporters

SNAP MANUAL 05/01/2022

Any change must be processed within ten (10) days of the date the change was reported to the county office. Day one (1) of the processing period is the first calendar day after the report was received. The date of receipt must be entered by the county office on all changes including those received in person or by telephone.

An increase in Supplemental Nutrition Assistance Program (SNAP) benefits resulting from the addition of a household member or a decrease of one hundred dollars ($100.00) or more in income must be reflected in the household's next regularly scheduled benefit extract. If a change is reported after current month's benefits have extracted, no change can be made until the following month. If necessary, a supplemental issuance will be authorized. See SNAP 13200.

Other increases in SNAP benefit amounts must be reflected in the first regularly scheduled extract of SNAP benefits occurring after the allowed processing period.

Unless the reported change meets all the criteria listed in SNAP 11440, a decrease in benefits or a case closure must be effective no later than the month following the month in which the household's notice of adverse action expires.

When the household is exempt from the notice of adverse action, the decrease or closure will be effective no later than the month following the month when the change was processed.

11430 Shortening the Certification Period

SNAP MANUAL 09/01/2022

Eligibility workers may not shorten the certification periods of households that are participating in the Supplemental Nutrition Assistance Program (SNAP unless the household is ineligible, with one (1) exception.

An ESAP household's certification period may be shortened when the household is no longer eligible for a thirty-six-month certification period. However, before a certification period can be shortened, an advance notice of adverse action must be issued to the household. The Notice of Expiration cannot be used to notify households of the change in certification period even when the household will be recertified. See SNAP 11660.

11440 Notices to Occasional Reporters

SNAP MANUAL 05/01/2022

If the household's Supplemental Nutrition Assistance Program (SNAP) benefit amount will not change, the household will be notified via a manually issued *Notice of Action*.

When the SNAP benefit amount decreases or the case closes as a result of a reported change, an advance notice of adverse action must be issued, unless the report meets all the following conditions:

- The information was reported in writing via a *Change Report Form,* or a letter signed by the head of household, spouse, or another responsible household member.

- Based solely on the household's written report, the eligibility worker can determine the household is ineligible or the SNAP benefit amount will decrease.
- The household is advised of its right to an administrative hearing and continued benefits if the hearing is requested within ten (10) days of the date of the notice.
- If continued benefits are requested, the household's previous benefit amount must be reinstated within five (5) workdays. See SNAP 7310.

If the reported change meets all these conditions, an advance notice of adverse action is not required. However, an adequate notice must be issued to be received by the household before the reduced benefits are authorized. For case closures, adequate notice must be received by the household before or about the same time the household's benefits would normally be authorized.

Either the notice of adverse action or the adequate notice must advise the household of:

- The nature of the change whether reduction or closure
- The reason for the change; and
- The effective date of the action.

When the SNAP benefit amount increases, as the result of a reported change, an adequate notice must be issued. The notice of action must advise the household of:

- The new SNAP benefit amount
- The reason the benefit increased; and
- The effective date of the increase.

11440.1 Returned Mail

SNAP Manual 01/01/2021

When mail is returned by the post office with a message from the post office indicating that the addressee is unknown, has moved and left no forwarding address, or that the address provided does not exist, a *Request for Contact* (RFC) must be sent. If the addressee does not respond to the RFC, then a ten (10) day notice to close the case will be sent. The worker must ensure that an agency error did not cause the mail to return. The eligibility worker must also ensure that the household has not reported an address change which was not processed or was processed

incorrectly. The returned mail, including the envelope, must appear in the case record. The action to close the case must be fully documented.

11450 Special Situations/Exemptions from Notice

SNAP MANUAL 01/01/2021

In the situations listed below, adverse action may be taken on an occasional reporting case without the issuance of a notice.

1. Death of All Household Members
   When all household members have died, the case will be closed immediately. No notice will be issued.
2. Move from State
   When all household members have moved from the state, the case will be closed immediately. No notice is required; however, one may be provided upon request.
3. Completion of Restoration of Lost Benefits
   Some households elect to receive restored benefits in installments. Such households must be notified in writing of the last month restored benefits will be authorized. See SNAP 13310. If the household was properly notified at the time the restored benefits were authorized, no notice need be sent after all installments have been authorized.
4. Anticipated Changes in Monthly Benefits
   The monthly SNAP benefit amount may vary from month to month due to anticipated changes. See SNAP 14323. If the household was notified of these variations at certification, no additional notice is required.
5. Case Closed at Household's Request
   When a household voluntarily requests case closure in writing, no notice is required. If a verbal request for closure is made by the household in the presence of the eligibility worker, written confirmation of the closure will be issued via the *Notice of Action*. The written confirmation will not offer the household the same protection as an adequate notice. See the SNAP glossary definition of "Notice of Action." If the household appeals an action to close the case, benefits will not be continued pending a decision.

11500 Semi-Annual Reporting Households

SNAP MANUAL 09/01/2022

DELETED 09/01/2022

11510 Households Subject to Semi-Annual Reporting

SNAP MANUAL 09/01/2022

DELETED 09/01/2022

11520 Becoming Subject to Semi-Annual Reporting

SNAP MANUAL 09/01/2022

DELETED 09/01/2022

11530 Processing Standards

SNAP MANUAL 09/01/2022

DELETED 09/01/2022

11560 IEVS Reports

SNAP MANUAL 05/01/2022

At the time of or before the recertification form is processed; a Department of Human Services (DHS) eligibility worker must inquire about the following household members:

- Aged sixteen (16) or seventeen (17) and not receiving disability benefits or enrolled in school full time.
- Aged eighteen (18) to sixty-five (65) and receiving disability benefits.

11570 Notices – Semi-Annual Reporting Households

SNAP MANUAL 09/01/2022

DELETED 09/01/2022

11570.1 Returned Mail

SNAP MANUAL 01/01/2021

When mail is returned by the post office with a message from the post office indicating that the addressee is unknown, has moved and left no forwarding address, or that the address provided does not exist, a *Request for Contact* (RFC) must be sent. If the addressee does not respond to the RFC, then a ten (10) day notice to close the case will be sent. The eligibility worker must ensure that an agency error did not cause the mail to return. The eligibility worker must also ensure that the household has not reported an address change which was not processed or was processed incorrectly. The returned mail, including the envelope, must appear in the case record. The action to close the case must be fully documented.

11571 Special Situations/Exemptions from Notice

SNAP MANUAL 05/01/2022

In the situations listed below, adverse action may be taken on a limited reporting case without the issuance of a notice.

1. Death of All Household Members
   When all household members have died, the case will be closed immediately. No notice will be issued.
2. Move from the State
   When all household members have moved from the state, the case will be closed immediately. No notice is required; however, one may be provided upon request.
3. Completion of Restoration of Lost Benefits
   Some households elect to receive a restoration of lost benefits in installments. Such households must be notified in writing of the last month restored benefits will be received. See SNAP 13310. If the household was properly notified at the time the restoration was authorized, no notice need be sent after all installments have been authorized.
4. Anticipated Changes in Monthly Benefits SNAP benefits may vary from month to month due to anticipated changes. If the household was notified of these variations at certification, no additional notice is required. See SNAP 7523.3.

5. Case Closed at Household's Request
   When a household voluntarily requests case closure in writing, no notice is required. If a verbal request for closure is made by the household in the presence of the eligibility worker, written confirmation of the closure will be issued via a *Notice of Action*. The written confirmation will not offer the household the same protection as an adequate notice. If the household appeals an action to close the case, benefits will not be continued pending a decision.

11600 Elderly Simplified Application Project (ESAP)

SNAP MANUAL 01/01/2021

Households participating in the Elderly Simplified Application Project (ESAP) are composed of members aged sixty (60) or older or individuals living with a disability or both. These households do not receive a child support deduction, have earned income, or include minor dependent children. Any household that meets these criteria will be certified for thirty-six (36) months.

Households assigned thirty-six (36) month certifications are subject to the occasional reporting requirements.

11610 Processing Standards

SNAP MANUAL 01/01/2021

11620 Reporting Requirements for ESAP Households

SNAP MANUAL 05/01/2022

Households in which adult members are aged sixty (60) or older or individuals living with a disability, no earned income, and no dependents will receive the Elderly Simplified Application Project (ESAP) annual reminder letter outlining the reporting requirements for their household.

The ESAP household must report the following:

- A change of more than one hundred dollars ($100.00) per month in the amount of unearned income
- A change of more than one hundred dollars ($100.00) per month in the amount of any type of income
- A change in the source of income
- A change in medical expenses
- Any substantial gambling or lottery winnings
- Any change in household composition; or
- A change of address.

These changes must be reported within ten (10) calendar days of the date the change becomes known to the ESAP household.

ESAP households are not required to contact their local county office to continue to receive benefits upon receipt of the letter. If the household does not contact the agency, no further action is required. If the ESAP household reports a change, the agency will act on the change.

The ESAP annual reminder letter will be generated twice for each household during the thirty-six(36) month certification period. The first letter will be issued in the eleventh month of the certification period. For example, if an individual is certified between August 2019 and September 2022, the letter will be generated in June 2020 for changes required to be reported by the end of July 2020.

The second letter will be issued in the twenty-third month of the certification period. For example, if an individual is certified between August 2019 and September 2022, the second letter will be issued in June 2021. During the last twelve (12) months of the certification period, the household will be issued the recertification application.

11621 Contacting the ESAP Household

SNAP MANUAL 01/01/2021

An informal contact is required to be conducted to verify information provided on the reported change when there is a likelihood the case may close. The household must be contacted by telephone or by mail before the change can be processed.

During the telephone contact, the caseworker will review the information presented on the *Change Report* or *Telephone Report* with the household to ensure the household verifies the information provided on the change is correct before closing the case.

If the household cannot be contacted by phone, the caseworker must send a *Request for Contact*. The *Request for Contact* must unambiguously explain what is needed to process the reported change.

11640 Handling Medical Expenses

SNAP MANUAL 01/01/2021

At the time of the annual contact letter, previously unreported medical expenses of each household member must be declared. Previously reported medical expenses must remain unchanged until the household reports a change or until recertification. See SNAP 6500.

11650 Notices

SNAP MANUAL 01/01/2021

An adequate notice will be issued to each household that reports a change during the certification period to advise the household that the reported change was processed. The change must be described on the notice. The notice should be received by the household before or about the same time that the next Supplemental Nutrition Assistance Program (SNAP) benefit becomes available.

11660 Shortening the Certification Period

SNAP MANUAL 01/01/2021

When an Elderly Simplified Application Project (ESAP) household no longer meets the ESAP criteria, the household's certification period must be shortened when possible. The household must be notified of the new certification period and new reporting requirements.

11700 Mass Changes

Mass changes are based on legislative or regulatory actions that affect all or a substantial portion of the statewide Supplemental Nutrition Assistance Program (SNAP) caseload. Households are not responsible for reporting changes that will be handled as a mass change.

Examples of mass changes include:

- Changes in the income eligibility standards
- Changes in the earned income deduction, standard deduction, dependent care deduction, or shelter deduction
- Yearly changes in the SNAP benefit amount on the New Basis of Issuance (NBI)
- Cost of Living Adjustment (COLA) on Supplemental Security Income (SSI) or Social Security Administration (SSA) payments; and
- Changes in the Transitional Employment Assistance (TEA) rate of payment.

Cost of living adjustments will be effective in the month of the increase unless the case cannot be automatically adjusted. Cases that cannot be automatically adjusted will be processed manually. Manually processed cost of living adjustments must be reflected in the SNAP case no later than the second issuance of benefits one (1) month after the change was effective.

11710 Notices at Mass Change

SNAP MANUAL 01/01/2021

Notices will be mailed to all affected households. Depending on the nature of the change, the notices may either be general or specific.

General notices will explain the nature of the change, how the change may affect the household's Supplemental Nutrition Assistance Program (SNAP) benefits, who the household may contact if there are questions, and how the household may request an administrative hearing. Specific notices contain the same information; however, the household's old and new SNAP benefit amount will be stated.

11720 Reports at Mass Change

SNAP MANUAL 05/01/2022

Reports generated at the time of a mass change may include the *List of Changes*, a *Mismatch List,* and a *List of Closures*. Not all reports are generated for all mass changes. For example, a mismatch list is generated for a mass change in Cost-of-Living Adjustment (COLA), but not for a New Basis of Issuance (NBI) mass change.

The county's responsibilities for clearing these reports are explained in SNAP 11721-11730.

11721 List of Changes

SNAP MANUAL 01/01/2021

This report is generated for every mass change under various titles. It is provided mainly for reference. The information that appears on this report is listed below:

- Case name
- Case number
- Category (NA or PA)
- Current ending certification date
- Old Supplemental Nutrition Assistance Program (SNAP) benefit amount
- New SNAP benefit amount

Other information will be provided depending on the nature of the change.

11730 Administrative Hearing Rights at Mass Change

SNAP MANUAL 01/01/2021

Households are advised via an automated notice of their rights to an administrative hearing. For valid closures, benefits will be reinstated only if the household feels policy was misapplied or the budget was computed incorrectly.

The household's statement of when the notice was received will be used to determine the ten (10) day advance notice period during which reinstatement may be requested. In questionable

cases, Division of County Operations (DCO) System Support will be contacted to determine the date the notice was mailed.

12100 Processing Reported Changes – Summary

SNAP Manual 10/01/03

All reported changes are handled in much the same fashion regardless of the source of the report. For example, a budget prepared as the result of a change in income would be the same for a limited reporting household as for an occasional reporting household

This section provides instructions for processing reported changes. Unless otherwise specified, these instructions will apply uniformly to all reported changes.

12110 Intentional Failure to Comply With a Program Requirement

SNAP MANUAL 10/01/03

Supplemental Nutrition Assistance Program benefits will not be increased when benefits received under another means-tested Federal, State or local welfare or public assistance program, like Transitional Employment Assistance (TEA) or SSI, are reduced, suspended or terminated due to intentional failure to comply with a requirement of that program.

EXAMPLE: A household's SNAP benefits will not be increased if a member's TEA cash assistance is reduced because he or she intentionally failed to comply with a TEA requirement.

The prohibition against increasing SNAP benefits will last no longer than the duration of the penalty imposed by the TEA or SSI Program and will be applied concurrently with the TEA or SSI sanction. Should the TEA or SSI sanction end because the household has complied with the TEA or SSI Program requirement, the prohibition against increasing SNAP benefits will also end.

The DCO county worker is not required to make any decisions about whether a failure or refusal to comply with an SSI Program requirement was intentional. The worker must simply verify if a known decrease in SSI benefits resulted from an intentional failure to comply with the requirements of that program.

If an adverse action to an SSI benefit is not specifically identified as resulting from an "intentional" failure to comply, the reduced benefit amount will be shown in the SNAP budget so long as there has been a good faith effort to get information about the reason for the action. If an adverse change in an SSI check is due to a readily identifiable change such as, but not

limited to, receipt of additional income, SSA need not be contacted for information about the reason for the change.

EXAMPLE: An SSI check is reduced. The reason for the reduction is unknown. The worker cannot get any information from SSA to confirm that the reduction is due to an intentional failure to comply with an SSI Program requirement. The new, reduced SSI amount will be shown in the SNAP budget. All efforts to obtain information from SSA must be documented in the case record.

The prohibition against increasing the household's SNAP benefits will follow the individual who intentionally failed to comply with a TEA or SSI requirement. If this person leaves the household, the prohibition against increasing benefits will end. If this person joins another household before the sanction is ended, the prohibition will apply to the new household.

If imposition of a sanction for intentional failure to comply is delayed by the program in which the failure occurred, the household's SNAP benefits will not be affected. When the sanction is imposed by the other program, the prohibition against increasing the SNAP benefits will also begin.

12110.1 When the Provision Will Not Apply

SNAP MANUAL 09/01/99

This provision will not apply:

- When TEA recipients are not allowed to add newborn children to an existing TEA Cash Assistance grant.
    - These children may be added to the SNAP case even if they are prohibited from receiving TEA.
- When there is a reduction, termination or suspension in benefits paid under the Social Security Disability Insurance (SSDI) Program regardless of the reason for the reduction.
- When the agency that administers the other program will not cooperate in providing the necessary information.

12110.2 Sanctions for Failure to Comply with TEA Requirements

SNAP MANUAL 10/01/03

The Arkansas Transitional Employment Assistance (TEA) Program is a means-tested State public assistance program. Therefore, the provisions in SNAP 12110 apply to any intentional failure to comply with the TEA Program including failure to comply with the TEA Program work activities.

1. Failure to comply with a TEA program requirement **will not include**:
    a. Failure to appear for the initial assessment interview;
    b. Failure or refusal to complete the TEA application process; or
    c. Requesting the TEA case be closed.
2. After TEA eligibility is established, failure to comply with a program requirement will include:
    a. Failure to cooperate with the Office of Child Support Enforcement (TEA2140);
    b. Failure to comply with the school attendance requirements (TEA2260);
    c. Failure to comply with immunization requirements (TEA 4153);
    d. Failure to participate in a work activity (TEA 2400);
    e. Failure to participate in an Employability Assessment (TEA 3100);
    f. Refusal to accept employment or terminating employment (TEA 3501);
    g. Failure to cooperate with Quality Assurance (TEA 4142); and
    h. Intentional Program Violations (TEA 8101);

Whenever a TEA case is closed or a TEA Cash Assistance grant is reduced for failure to comply with a TEA Program requirement, the county office worker must insure the household's SNAP benefits do not increase. To do so, an amount equal to the reduction in TEA benefits must continue to be counted in the SNAP budget. If the TEA case is closed, the TEA grant will continue to be shown in the SNAP budget. See SNAP 12110 for instructions.

The following chart specifies how long the TEA grant (or the amount of the grant attributed to the sanction) must continue to be shown in the SNAP budget:

Reason for Sanction	Action in TEA Case	Length of Time to Count TEA In FS Budget
Failed to cooperate with the Office of Child Support Enforcement	25% reduction in TEA payment	Until adult complies or case closes
Failed to comply with school attendance requirements	Child is dropped - 25% reduction in TEA payment	Until child complies, turns 18, or case closes
Failed to comply with immunization requirement	25% reduction in TEA payment	Until adult complies or case closes
Failed to participate in a work activity	First three months of non-compliance - 25% reduction in TEA payment.	Until adult complies or case closes.
	Second three months of non-compliance - 50% reduction in TEA payment.	

Reason for Sanction	Action in TEA Case	Length of Time to Count TEA In FS Budget
	Sixth month of non-compliance - Possible case closure.	For three months following the month in which the case closure occurred.
Minor parent failed to comply with work activity	First three months of non-compliance - 25% reduction in TEA payment. Third month of non-compliance - 50% reduction in TEA payment.	Until minor parent complies or case closes
Failed to participate in an employability assessment	First three months of non-compliance - 25% reduction in TEA payment.	Until adult complies or case closes.
	Second three months of non-compliance - 50% reduction in TEA payment.	
	Sixth month of non-compliance - Possible case closure.	For three months following the month in which the case closure occurred.
Failed to accept employment or terminated employment as a result of	First three months of non-compliance - 25% reduction in TEA payment.	Until adult complies or case closes.
	Second three months of non-compliance - 50% reduction in TEA payment.	
	Sixth month of non-compliance - Possible case closure.	For three months following the month in which the case closure occurred.
Failed to cooperate with Quality Assurance	Case closed	For three months following the month in which the case closure occurred.
Intentional Program Violation (IPV)	First - Head of household disqualified for one year.	For duration of IPV penalty period.
	Second - Head of household disqualified for two years.	For duration of IPV penalty period.
	Third - Entire household disqualified permanently.	For one year following the month in which the case closure occurred.

12110.3 Determining the Benefit Amount

SNAP MANUAL 10/01/03

Whenever a TEA or SSI reduction in benefits, case closure or suspension of benefits is reported to the DCO county worker, the worker must determine if the reduction was due to an intentional failure to comply with a program requirement. If so, the household's SNAP benefits will not be increased as a result. See SNAP 12110 for additional information on getting information about adverse changes to SSI benefits.

If the amount equal to the reduction in TEA or SSI benefits must continue to be counted in the SNAP budget, this amount will be calculated by subtracting the amount of the TEA or SSI payment immediately after the sanction from the amount of the TEA or SSI payment immediately before the sanction. After this calculation, the amount attributed to the sanction will not change. This amount (the amount attributed to the sanction) will be shown in the SNAP budget for the duration of the sanction period regardless of subsequent changes to the TEA or SSI payment and/or the SNAP budget.

To avoid system mismatches, the current amount of TEA Cash Assistance will be shown in the budget as the TEA income. TEA or SSI amounts attributed to a sanction will be shown as "Other" income.

Changes in the household's circumstances unrelated to the sanction must be reflected in the SNAP budget. This includes changes in the assistance payment not related to a sanction. When TEA or SSI payments are suspended or a case is closed due to an intentional failure to comply with a program requirement, the payment the household was authorized to receive immediately prior to case closure/suspension will continue to be counted in the SNAP budget as other income

If a TEA or SSI sanction is expected to end before the household's current certification period expires, the case must be adjusted to reflect this change.

12110.4 Documentation

SNAP MANUAL 09/01/99

The following documentation is required when a household's SNAP benefits remain the same after a reduction in TEA or SSI benefits due to an intentional failure to comply with a program requirement:

- The source of income (TEA or SSI) which has been reduced, suspended or terminated;
- The reason for the reduction, suspension ortermination;

- The amount which continues to be counted as income in the SNAP case;
- How this amount was determined (include any necessary calculations); and
- When the sanction is expected to end.

The documentation should appear on a separate sheet of paper and should be moved forward to the current case action.

12110.5 Disqualification of Household Members

SNAP Manual 10/01/02

When a member of a TEA household who is not exempt from the work registration requirements for reasons other than receipt of TEA benefits fails to comply with a TEA work requirement, that household member may be disqualified under the provisions in SNAP 3414. For the purposes of determining if a member should be disqualified, the TEA work requirements are:

- Failed to participate in a work activity
- Minor parent failed to comply with work activity
- Failed to participate in an employability assessment
- Failed to accept employment or terminated employment

12200 Changes Reported by the Household

SNAP MANUAL 10/01/03

12210 Address Changes

All households must report changes in their residence (moving from one location to another) and any related changes in shelter costs. This is the only time the household is required to report a change in shelter costs. Households subject to limited reporting and a four-month certification period must report changes in residence no later than the next recertification. Households subject to limited reporting and semi-annual reporting must report changes in residence no later than the semi-annual report. (Or, if the semi-annual report has been submitted, these changes must be report at the next recertification.)

All address changes, even those where no move has occurred, should be reported as quickly as possible to prevent delays in the receipt of information from the Agency.

12211 Actions to Take to Change an Address

SNAP MANUAL 10/01/03

Address changes do not require any change to the household's budget unless new shelter costs are reported. If the household is currently using the utility standard but is no longer entitled to do so, actual utility costs may be used in the budget if verified. If the household becomes entitled to use the utility standard as a result of the change in residence, the household must be offered this option.

NOTE: If a county office worker establishes through any source that a household has moved from Arkansas to another state, the household's case must be closed. This policy applies across the board to all SNAP households regardless of the household's reporting requirements. No advance notice is required (see SNAP 11450 and SNAP 11571). If the worker suspects the household has moved from the State, a request for contact will be sent as instructed in SNAP 12400.

See SNAP 6600 - 6627 for a full explanation of allowable shelter costs.

12211.1 New Residence County

SNAP MANUAL 04/01/05

SNAP cases will be transferred from county to county in an "open" status. When a household moves within the State from one county to another, the county of residence must be changed

on ANSWER. This will trigger certain actions on ANSWER and certain actions that the DHS county office must complete.

NOTE: Even if a household has chosen an alternate service county, the county must complete the actions stated in this section of policy since an address change has been reported.

When a household reports a new address that indicates that the household has actually moved into a county other than its current county of residence, a worker in the county to which the household has reported the change must submit a budget changing the county of residence on ANSWER. If the household's new address is known, the new address must be entered. If the new address is not yet known, no change will be made to the address currently appearing on ANSWER. When the budget is submitted, an automated notice will be generated to the household and a task will be created on the to-do list. (If the household has not selected an alternate county of service, the task will appear on the new residence county's to-do list. If the household has selected an alternate service county, the task will appear on the service county's to-do list. See SNAP 1300 for information about selecting an alternate service county.)

The notice will be sent to the address that currently appears on ANSWER. The notice will serve as a request for contact and will meet all of the requirements of SNAP 12400. The notice will advise the household that a reported address change indicates that the household has moved to a new county of residence **and that the household must contact the new county of residence**. At the time of the contact, the household must (if it has not already done so) report:

- New shelter costs;
- Changes in household composition if any have occurred;
- Income changes if any have occurred; and
- Any other changes related to the move.

The address and telephone number of the new county of residence or the current service county will be displayed on the request for contact. The household will be given 10 days beginning with the date of issue to contact the new county of residence or the service county.

The text of the automated notice is:

> You have reported that your household has moved from one county to another county located in Arkansas.
>
> As a result of this move, you must contact the DHS county office in the county where you are currently living so we can evaluate your continued eligibility to receive food stamp benefits. (Note: If you have selected an alternate service county, please contact the DHS county office in your alternate service county.)
>
> If you have not already done so, you must also report to this DHS county office if there were any changes as a result of your move. This includes:
>
> - Changes in your shelter costs;
> - Any new household members;
> - Any household members who are no longer living with you; and
> - Any changes in employment.
>
> You must provide this information within 10 days of the date of this notice.
>
> Please contact the DHS county office if you have any questions.

If the household responds to the request for contact, a DHS county office worker will determine the impact of the move on the household's benefit level – increase, decrease, or no change - and will properly notify the household. A notice must be sent even if there is no change in the household's eligibility or benefit amount.

If the household responds to the request for contact but doesn't provide all the information needed to determine its current eligibility, the manual advance notice of adverse action will specify the missing information and will advise the household that the SNAP case will be closed unless the missing information is provided within the specified time period.

If the household doesn't respond to the request for contact, a DHS county office worker **must** issue a manual advance notice of adverse action. The advance notice of adverse action, which must meet the requirements specified in SNAP 12400, will state:

- The SNAP case will be closed unless the household responds to the request for contact; and
- That (if not already furnished) the household must furnish information about their new shelter costs and any other changes that occurred as a result of the move; and
- That if the SNAP case is closed, the household must submit a new application to continue participating in the Supplemental Nutrition Assistance Program.

NOTE: If a household **does not respond** to the request for contact **but had previously provided** all the information needed to determine current eligibility, the case will not be closed. Instead, the DHS county office will determine the impact of the move on the household's SNAP case and will notify the household of the result – increase, decrease or no change.

If a move to a new county of residence is reported on a semi-annual report, midpoint review, or at recertification, the needed information will be obtained as part of the required case action. When the information is reported on a Semi-Annual Report or a Midpoint Review, the original county of residence will complete the change before the case transfer occurs and will properly notify the household of the change and the case transfer. (When the transfer is keyed, a request for contact will automatically be issued. The Household will be advised via a manual notice that the request for contact may be disregarded). When the information is reported at recertification, the application will be transferred to the new county of residence (see SNAP 8142).

If a household has moved to a new county of residence and that county office will be the household's service county, the household's case record must be transferred to the new county of residence. If the household selects a new service county as part of the move to the new residence county, the household's case record must be transferred to the new service county.

In Pulaski County and other counties with more than DHS county office, a move between the various offices within the county will be considered a change of "service county." No request for contact will be issued. The reported change of address will be handled in the same manner as any other change of address except that the case will be transferred in accordance with the local office procedures.

12220 Changes in Household Composition

SNAP MANUAL 10/01/03

12221 Limited Reporting Households

Limited reporting households assigned four-month certification periods are not required to report changes in household composition until the next recertification. Limited reporting households subject to semi-annual reporting must report changes in household composition on the semi-annual report. If the semi-annual report has already been submitted when the change in household composition occurs, the household must report the change no later than the next recertification. Limited reporting households may choose to report a change in household composition at any time. If a new member is reported independent of the semi-annual report, the processing standards for occasional reporters will be used (see SNAP 11410).

If a limited reporting household reports the loss of a household member independent of the semi-annual report or recertification, the change will be processed within 10 days. If the change in household composition results in case closure or decrease in benefits, the limited reporting household is entitled to the same notice as an occasional reporting household.

If any household reports a new member who has been participating as a member of a limited reporting household, the county will not wait until the next semi-annual report or application for recertification is submitted. Instead, a 10-day advance notice of adverse action will be issued to the household where this member formerly resided.

After the 10-day notice of adverse action has lapsed, the new member will be removed from the limited reporting household and added to the new household.

12222 New Members

SNAP MANUAL 10/01/03

New members must meet the citizenship requirements specified in SNAP 1621. Individuals who do not meet these requirements will be considered ineligible aliens. See SNAP 1621.3 for instructions on handling the income and resources of an ineligible alien. Except for newborns, each new member who has not previously complied with the SSN requirement must do so before he or she can be added to the household as an eligible member (see SNAP 2220 - 2223).

In any county where the SNAP E&T Program is operational, a *Status Determination/Referral* (DCO-205) must be completed on all new eligible members who are subject to the requirement

to work (RTW). Other household members who are not subject to the RTW but who are work registered may be referred to the E&T Program as volunteers (see SNAP 3620).

See the chart in SNAP 12223 for instructions on handling new members who are currently disqualified from participating in the Supplemental Nutrition Assistance Program.

12223 Disqualified Members – Chart

SNAP MANUAL 09/01/99

Disqualified members will be handled as instructed below.

Disqualification Reason	Action to Take
Member under current disqualification for intentional program violation (see SNAP 16600).	Disqualify new member until disqualification has been served or is ended. Go to SNAP 1623.2 for instructions on handling the member's income and resources.
New member currently sanctioned for work registration violation including voluntary quit or voluntary reduction in hours of work, or E&T non-compliance.	Disqualify until disqualification has been served or is ended. Go to SNAP 1623.2 for instructions on handling the member's income and resources.
New member was a workfare eligible member of a household currently sanctioned for workfare non-compliance. Still lives in workfare county (see SNAP 3851-3856).	Sanction follows all workfare eligible members of a household sanctioned for workfare non-compliance. Disqualify new member until sanction period ends or sanction is lifted. Go to SNAP 1623.3 for instructions on handling the member's income and resources. See SNAP 3856 for instructions on reestablishing eligibility.
New member currently disqualified for failure to comply with Requirement to Work (RTW). SNAP 3500 - 3550.	If the new member currently resides in an area covered by an RTW waiver, end the disqualification and add the new member to the case if he or she is otherwise eligible. If a personal exemption may be applied, apply the exemption and add the new member to the case if he or she is otherwise eligible. If neither the waiver nor the personal exemption applies, he or she will remain disqualified until he or she complies, becomes exempt or the RTW period ends. See SNAP 1623.2 for instructions on handling the member's income and resources.
New member is a fleeing felon (see SNAP 1622.10).	Disqualify any new member who is a fleeing felon. See SNAP 1623.2 for instructions on handling the member's income and resources.

Disqualification Reason	Action to Take
New member has been found guilty or plead guilty or no contest to a felony offense which has as an element of the offense, the distribution or manufacture of a controlled substance. The offense occurred after July 1, 1997. SNAP 1622.20	Disqualify any new member who has been convicted of the distribution of manufacture of a controlled substance if the offense occurred after July 1, 1997. See SNAP 1523.2 for instructions on handling the member's income and resources.

12225 Dropping Household Members

SNAP MANUAL 10/01/03

12226 Household Division

A household division occurs when an active SNAP household divides into at least two groups of individuals. When a household division occurs, the worker must use the following guidelines to determine which group retains original eligibility and which group must apply as a new household.

1. If the original casehead (as explained in SNAP 1500) remains in the county and wishes to continue participating in the Program, the household containing this individual retains original eligibility.
2. If the original casehead leaves the county, the household members remaining in the county retain original eligibility.
3. If the division occurs as a result of the death of the original casehead, original eligibility will be retained by the group remaining in the county. Or, if neither group moves from the county, the group containing the largest number of original household members retains original eligibility.

The newly formed household may not participate in the Supplemental Nutrition Assistance Program until the members are removed from the original household.

EXAMPLE: A household division is reported on September 25th. The county office is unable to process the change before October SNAP benefits are issued. The newly formed household will not be able to participate as a separate household in the month of October.

There are three exceptions to this provision.

EXCEPTION 1: Residents of shelters for battered women and children may participate as specified in SNAP 1840.

EXCEPTION 2: The County may determine that members have been claimed bygone Nothing household while actually living in another. Such members will be allowed to participate in the household where they actually live if otherwise eligible. An overpayment will be submitted against the household which misrepresented its circumstances (see SNAP 15400).

EXCEPTION 3: When a county office does not timely process a reported decrease in household composition, eligible members may participate in their new household beginning in the month the change should have been effective. An overpayment will be submitted against the original household. The overpayment will be classified as an agency error (see SNAP 15400).

12227 Signature of Responsible Household Member

SNAP MANUAL 10/01/03

The household's current SNAP application (*Request for Assistance*, DCO-215) must contain the signature of a responsible household member. Should the member who signed the application leave the household, another responsible member must sign either the application or a statement attesting to the accuracy of the information on the application. Prior to signing, this member must review the information on the application and correct any invalid information. For ease of review, the corrections and new signature should be entered in a different color ink.

Although the processing of the change need not be delayed solely to obtain the signature of a responsible household member, the household will be issued an request for contact as instructed in SNAP 12400. If a responsible household member does not come to the DHS county office to sign the application by the end of the ten-day period specified in the request for contact, an advance notice of adverse action will be issued. The advance notice of adverse action will state that the household's case will be closed if a responsible household member does not come into the DHS county office to sign the Request for Assistance

12230 Resource Changes

SNAP MANUAL 09/01/99

12231 Acquisition of a Vehicle

If the household reports the acquisition of a vehicle, the information provided must be adequate to determine if the vehicle is to be excluded or counted as a resource.

See SNAP 4430 for information about excluded vehicles.

If the reported information shows a vehicle will be totally excluded, no additional action is required. If not, it must be determined if the countable value of the vehicle will make the household ineligible.

See SNAP 4821 for instructions on determining the countable value of a vehicle.

If the information provided shows the countable value of the vehicle plus other resources make the household ineligible, additional information may be needed. For example, it may be necessary to determine if the household "traded in" a vehicle currently counted as a resource.

If additional information is needed, an advance notice of adverse action must be manually issued to the household via a *Notice of Action* (DCO-1). The DCO-1 will specify the information to be provided and will state that failure to return the information by the specified date will result in case closure.

12232 Liquid Resources

SNAP MANUAL 04/01/2024

When a household verifies liquid resources exceeding the resource limit amount (See Appendix D), the SNAP case will be closed unless the household is categorically eligible as defined in SNAP 1920. Applications that attest to resources exceeding the resource limit must be verified before the application is denied.

See SNAP 4950 for an explanation of the procedures for handling lump sum payments.

Additional contact with the household is required if the household reports liquid resources in excess of the resource limit.

When the household reports substantial lottery or gambling winnings equal to or higher than the current resource limit for Aged/Disabled households, no matter the household type, the agency must verify the amount and take appropriate action based on the program rules.

In these instances, for occasional reporters, the worker will use the procedures in SNAP 12400. Semi-annual reporters will be asked to explain these circumstances before the semi-annual report form is processed (see SNAP 11550).

The case record must also be reviewed to determine if a change in work registration status has occurred. See the chart below:

12233 Actions to Take to Change a Resource

SNAP MANUAL 07/01/2025

Vehicles

1. Determine the countable value of the new vehicle (see SNAP 4800-4841).
2. If the vehicle has any countable value, add this figure to the existing resources. If applicable, subtract the countable value of the vehicle used as the "trade-in."
3. Compare the household's total countable resources to the applicable resource limits (see SNAP 4300-4310).
4. If the household's total countable resources are less than the limits, the household continues to be eligible. If not, close the case.

Liquid Resources

If the household's liquid resources exceed the applicable limit (See Appendix D), the case will be closed unless the household is categorically eligible.

12240 Income Changes

SNAP MANUAL 10/01/03

12241 Determining Effect of Change

A reported change in income will be reviewed to determine:

- If the information reported is adequate to determine the effect of the change on the household's monthly SNAP benefit amount; and
- If verification is required.

Other factors to be considered are listed below.

1. Loss of earnings by an eligible student may change student status from eligible to ineligible (see 1622.2).
2. An individual who is terminated or laid off from a job may get unemployment compensation.
3. An individual who loses earnings due to illness, injury, or pregnancy may get worker's compensation, sick pay, or maternity benefits.
4. A voluntary quit may have occurred (see SNAP 3401.1).
5. An individual who becomes entitled to SSA, SSI or VA may receive a lump sum payment (see SNAP 4950-4951).
6. Receipt of SSA or VA by an individual with dependents in the home may mean the dependents also have income.
7. Loss of income may result in receipt of loans or contributions if the household no longer has the income necessary to meet its expenses.

Reported Change	Required Action
Loss of a job.	Determine if the member who lost a job should be registered for work. If yes, see SNAP 3310.
Reduction in hours.	Determine if the member whose hours were reduced is working less than 30 hours or making less than the federal minimum wage X 30 hours. • If yes, determine if member is exempt from work registration. • If no, See SNAP 3401.
Obtained employment for more than 30 hours per week; or **Obtained employment with wages equal to or more than federal minimum wage X 30 hours; or** **Began receiving a disability benefit – e.g., SSI – no longer subject to work registration.**	Determine if affected member was subject to work registration. • If yes, change work registration status. • If E&T participant, notify E&T Worker via DCO-205. • If Workfare participant, see SNAP 3831.
An entitlement check based on disability was terminated.	Determine if affected member will not be subject to work registration. (The household may wish to furnish verification the member is unable to work.) See SNAP 3310.

12242 Actions to Take to Change Income

SNAP MANUAL 09/01/99

At the time of a reported change, income will be budgeted prospectively. A prospective budget must anticipate the household's income for the remainder of the certification period. Or, in the case of quarterly reporting households, the prospective budget must anticipate the household's income for the upcoming quarter. See SNAP 7512 - 7524.1 for a full explanation of prospective budgeting and anticipating income.

12250 Deleted Section

SNAP MANUAL 04/01/05

SECTION DELETED

12251 Changes in Medical Expenses

SNAP MANUAL 12/01/11

There is no requirement to report changes in medical expenses unless a household is submitting a midpoint review. See SNAP 11640 for instructions on processing medical expenses at the time of the midpoint review. See SNAP 12410 for instructions on handling changes in medical expenses reported to a Medicaid worker.

Households eligible to receive a medical deduction as per SNAP 6500 may choose to report a change in medical expenses at any time. Reported changes in medical expenses will be processed.

Reports of new medical expenses must be reviewed to determine if:

1. The reported medical expense was incurred by an Aged/Disabled member as defined in the Glossary; and
2. The expense was incurred during the six-month report semi-annual period or during the report month prior to submission of the report; and
3. The reported medical expense is allowable as per SNAP 6510.

Reports that medical expenses have stopped must be reviewed to determine if the expense was allowed on an "as-incurred" basis or prorated over the certification period. Prorated medical expenses will continue to be allowed even if the household reports it is no longer paying on the expense. Conversely, if a household reports a new medical expense, but this is actually a prorated or one-time expense which has already been allowed, no adjustment will be made.

Verified increases in medical expenses will be allowed.

See SNAP 6521 for instructions on budgeting monthly expenses.

See SNAP 6521.1 for instructions on budgeting periodic expenses.

See SNAP 6521.2 for instructions on budgeting one-time expenses.

No past due medical expenses will be allowed (see SNAP 6523).

12260 Actions to Take to Change Child Support

SNAP MANUAL 10/01/03

Child support is deductible only if legally obligated and paid by a household member to an individual who is not a household member (see SNAP 6550).

Other than at certification or recertification, households have no requirement to report changes in child support obligations or deductions. However, if a household does voluntarily report a change in its child support obligation and/or deduction, the change will be processed.

Verification is required for all changes reported in child support (see SNAP 6552).

12270 Verification

SNAP MANUAL 10/01/03

See SNAP 11420 for an explanation of the verification requirements to be allied when an occasional reporting household reports a change.

See SNAP 11550 for an explanation of the verification requirements to be applied when a semi-annual reporting household reports a change.

12300 Changes Reported to TEA Workers

SNAP MANUAL 10/01/03

Changes reported to a TEA worker are considered to have been reported for SNAP purposes. Changes reported by either occasional reporting or limited reporting households to the TEA worker must be reflected in the SNAP case within 10 days of the date reported.

TEA recipients are not required to report changes in the TEA Cash Assistance. These changes must always be reflected in the SNAP case.

If TEA workers in any county do not handle the household's SNAP case, the county must devise a system for transmitting changes to the appropriate SNAP worker. No particular type of system is mandated; however, any system used must ensure information is transmitted in writing from one worker to the other in a timely manner. The day after the household reports the change to the PA worker is considered day one of the change processing period.

Changes reported by TEA recipients are processed using the same verification standards and budgeting methods as any other change. Verification presented to the TEA worker will be used whenever possible.

See SNAP 12310 - 12330 for special instructions.

12310 Adverse Changes to Both TEA and SNAP Case

SNAP MANUAL 09/01/99

Some changes reported by TEA cash assistance recipients may result in reduction and/or termination of both the TEA cash assistance and the SNAP benefit amount. For example, a TEA cash assistance recipient goes to work.

When sufficient information is available to determine both the status of the TEA cash assistance and the SNAP benefit amount, a single *Notice of Action* (DCO-1) will be issued to the household.

The DCO-1 will serve as an advance notice of adverse action. See SNAP 11440 for instructions. It will specify the effect of the change on both the TEA cash assistance and the SNAP benefit amount.

If the TEA worker does not handle the SNAP case, the information will be transmitted to the SNAP worker. The SNAP worker will make the appropriate adjustments and issue a separate advance notice of adverse action.

12320 Adverse Changes to TEA Case / Increase in SNAP

SNAP MANUAL 09/01/99

Some changes result in a decrease or termination of the TEA cash assistance which in turn increases the amount of SNAP benefits. For example, a child turns 18 and is no longer entitled to receive TEA cash assistance.

No action will be taken to adjust the household's SNAP benefit amount until the household decides whether to appeal the action taken on the TEA cash assistance. Therefore, the advance notice of adverse action required for the TEA action will be issued first.

If no request for an administrative hearing has been received by the end of the TEA adverse action period, the SNAP benefit amount will be adjusted within 10 days. The 10-day period will be calculated from the date the TEA notice of adverse action expired. An adequate notice (see SNAP 11440) must be issued to advise the household of the increase in SNAP benefits.

If the household submits a request for an administrative hearing and continuation of benefits (see SNAP 16514), the SNAP benefits will not be changed until the hearing decision has been rendered. If the next scheduled recertification occurs prior to the decision, the case will be adjusted at recertification.

12330 Changes to TEA/Affect on SNAP Unknown

SNAP MANUAL 10/01/03

At times the nature of a change reported to the TEA worker will result in termination of the TEA cash assistance when there is not sufficient information to process a SNAP change.

No action will be taken to adjust the SNAP benefit amount until the household decides if it will appeal the decrease or termination of the TEA cash assistance. Should the household appeal the TEA action within the specified advance notice period and request continuation of benefits, the SNAP case must not be adjusted unless the household's certification period expires. If the certification period expires before the hearing decision is rendered, the household must reapply. The new application will be based on the household's current circumstances.

If the household does not appeal within the advance notice period or if the household does appeal but continued benefits are not requested, the household will be issued a request for contact as instructed in SNAP 12400 unless a semi-annual report is currently being processed or is due to be submitted within the current month. If a semi-annual report is currently being

processed or is due to be submitted within the current month, the household will be asked to provide all needed information when the semi-annual report is processed.

12400 Unclear Information

SNAP MANUAL 10/01/03

During a household's certification period, a county office worker may become aware of changes in a household's circumstances and yet not be able to determine the effect of the changes on the household's eligibility and/or SNAP benefit amount. Such unclear information may come from a third party or from the household itself.

NOTE: See SNAP 12440 for instructions on handling changes reportedby field investigators.

The worker must attempt to clarify and, if necessary, verify the household's current circumstances using the following procedure:

1. Using a *Notice of Action* (DCO-1), manually issue a request for contact. The manually issued DCO-1 must clearly advises the household of the information that must be provided or the actions that the household must take to clarify its situation and that failure to respond to the Notice of Action may result in caseclosure.
2. Allow the household at least 10 days to respond to the manually issued request for contact, and clarify its situation. (*The household may contact the worker by telephone or in person or by letter to explain its current situation. Or, the household may be directed to provide written documentation to verify the questionable information.*)

Once a household has contacted the DHS county office in response to a request for contact, the household must refuse to cooperate with the requests to clarify its situation before the case can be closed.

EXCEPTION: If the household has become ineligible, the case will be closed.) If the household responds to the manually issued request for contact but cannot provide the needed verification, the worker must assist the household in obtaining the needed information. See the Glossary, definition of Verification.

The following chart explains the actions to be taken after the RFC has been issued to the household:

12400 Unclear Information

HOUSEHOLD'S RESPONSE TO RFC	COUNTY OFFICE RESPONSE
The household responded to the RFC. The information provided by the household resulted in closure of the SNAP case.	Send the household a 10-day advance notice of adverse action to explain that the SNAP case will be closed because the household is currently ineligible to receive SNAP benefits. The notice must explain the reason for the ineligibility. For example, if the household's income exceeds the income limits, the notice must explain this to the household.
The household responded to the RFC. The information provided by the household resulted in a decrease in the SNAP benefit amount.	Send the household a 10-day advance notice of adverse action stating that the household's SNAP benefit amount must be reduced. The notice must specify the effective date of the reduction and the reason for the reduction. For example, if the household's income increased, the notice must explain this to the household.
The household responded to the RFC. The information provided by the household resulted in a increase in the SNAP benefit amount.	Send the household an adequate notice to explain the increase in benefits and the effective date of the increase.
The household responded to the RFC. The information provided by the household resulted in no change to the SNAP benefit amount.	Send the household an adequate notice to explain that the situation has been resolved and there is no change in the benefit amount.
The household failed to respond to the RFC.	Send the household a 10-day advance notice of adverse action stating: • That the SNAP case will be closed because the household failed to respond to the request for contact; and • That the household must submit a new application to continue receiving SNAP benefits.
The household failed to respond to the RFC and to the 10-day advance notice of adverse action.	Close the case.
The household responded to the RFC but refused to cooperate with the worker's requests to clarify its situation.	Send the household a 10-day advance notice of adverse action stating that: • The SNAP case will be closed because the household failed to respond to the request for contact; and • The household must submit a new application to continue receiving SNAP benefits.

HOUSEHOLD'S RESPONSE TO RFC	COUNTY OFFICE RESPONSE
The household responded to the first 10-day advance notice of adverse action and provided the needed information. Based on this information, the case must be closed.	Send the household another 10-day advance notice of adverse action stating that the SNAP case will be closed because the household is currently ineligible to receive SNAP benefits and the reason for the ineligibility. For example, if the household's income exceeds the income limits, the notice must explain this to the household.
The household responded to the first 10-day advance notice of adverse action and provided the needed information. Based on this information, the household's benefits must be reduced.	Send the household another 10-day advance notice of adverse action stating that the household's SNAP benefits will be reduced. The notice must specify the effective date of the reduction and the reason for the reduction. For example, if the household's income increased, the notice must explain this to the household

The following sections, SNAP 12410 through SNAP 12460, contain instructions for processing changes reported to the SNAP worker by someone other than a household member.

12410 Changes Reported by Other DCO Personnel

SNAP MANUAL 10/01/03

Changes reported to Medicaid workers that become known to the SNAP worker will be processed within 10 days of the date the change became known.

This applies to both occasional reporting and limited reporting households. If the change reported to the Medicaid worker is a change in medical expenses, the SNAP worker may not contact the household for additional verification of medical expenses. See SNAP 6526.

When a member of a SNAP household enters a nursing home, this member is to be removed from the SNAP household. If this person was the only household member, the SNAP case will be closed.

When a husband and wife have been receiving social security and/or SSI and only one of them enters a nursing home, there may be several adjustments in the couple's SSI and/or social security checks. The SNAP case should be monitored closely for several months to determine the effect of these changes. If the effect of the changes cannot be determined, the worker will use the procedures in SNAP 12400 to clarify the household's situation.

12420 Reports from DCFS Workers

SNAP MANUAL 10/01/03

When the DCO county office worker becomes aware that a child has entered or left foster care, the proper adjustments must be made to any SNAP cases involved. Should a DCFS worker report a foster child has left a home the SNAP case will be adjusted to reflect the change within 10 days of the date the change becomes known to the DCO worker. Should a DCFS worker report a foster child has been placed in a home the SNAP case will be adjusted to reflect the change within 10 days of the date the change becomes known to the DCO worker. These instructions apply to both occasional reporters and limited reporters. See SNAP 1624 and SNAP 5708 for instructions.

Other changes that may be reported by DCFS workers (e.g., a household member has gone to work) will be handled in the same manner as changes reported by the public (see SNAP 12450).

EXCEPTION: At times a DCFS worker will report a change because the children in the home have been adversely affected by the change and the household requires additional assistance. This type of change will be processed as expeditiously as possible for both occasional reporters and quarterly reporters.

12430 Reports from Quality Assurance (Q.A.)

SNAP MANUAL 10/01/03

See SNAP 800 - SNAP 890 for a full description of the Q.A. process. Q.A. reports may be either informal reports provided to the county during the course of the review or review summaries submitted to the county upon completion of the review. Review summaries reporting case errors require corrective action by the county. The corrective action is reported via the *Quality Assurance Error Response* (DCO-29). See the DCO-29 for full instructions.

Information not reported by the household that appears on the review summary must be handled as a reported change. The informal reports provided by the Q.A. reviewer to the county office must also be handled as a reported change. For semi-annual reporting households, changes reported by Q.A. that occur after the most recent semi-annual report (or application) was submitted will be handled when the next semi-annual report or application is submitted.

Changes not reported timely by an occasional reporting household must be handled within 10 days of the date the Q.A. report is received in the county office.

Changes that were not reported by a semi-annual reporting household at the last certification or semi-annual report (whichever applies) must be handled within 10 days of the date the Q.A. report is received in the county office.

NOTE: If the household is subject to the limited reporting requirements but is not a semi-annual reporting household, changes that occurred after the application was approved will be handled at the next certification or recertification. If QA discovers information that the household failed to report accurately at the last certification and the budget should be corrected as a result, the budget must be corrected. See SNAP 12400 for instructions.

Under issuances found by Q.A. that resulted from an agency error will be corrected through restored and/or supplemental issuances to the household. See SNAP 13000 for instructions on authorizing restored benefits and/or supplemental benefits.

Overpayments must be prepared on all over issuances identified through Q.A. reviews. See SNAP 15000 for full instructions on preparing overpayments.

The Q.A. reviewer verifies only the information needed to make a determination of the household's eligibility and correct SNAP benefit amount for the month of review. If the verification used by Q.A. is not available or does not include all months in the overpayment or restoration period, the worker must obtain the needed verification using the procedures in SNAP 12400.

12440 Reports from Field Investigations

SNAP MANUAL 10/01/03

When a household that is currently participating in the Supplemental Nutrition Assistance Program fails or refuses to cooperate with the field investigator, the field investigator will request that the county office worker issue a *Request for Contact* (RFC) to the household. The request for contact must advise the household of actions the household must take to clarify its current situation. (The household may be offered an opportunity to appear for an interview as part of the investigation; however, the notice must clearly state that such an interview is voluntary.) If the household fails or refuses to take the actions specified in the RFC, an advance notice of adverse action will be issued to the household stating that the household's case will close. See SNAP 12400 for complete instructions.

When the field investigation reveals information not timely reported by the household on a change report form or semi-annual report, the investigator's report will be reviewed to

determine if the information has been substantiated by a reliable collateral contact. For example, if earned income has been verified by the employer, that information is substantiated. If information has been substantiated, appropriate action will be taken on the case.

1. The county office worker must first determine if the household has failed to timely report a change.

   The reporting requirements for occasional reporters appear in SNAP 11330. If the household is subject to occasional reporting, the household must have reported the change within 10 days of the date the change became known.

   The reporting requirements for limited reporters appear in SNAP 11340. The household must report the change on the first semi-annual report or application submitted after the change occurs. If the household is subject to limited reporting and is not yet required to report the change, the field investigator's report will be documented in the case record but no action will be taken until the semi-annual report or next application is submitted.

EXAMPLE A: A household submits its semi-annual report on July 10 and goes to work on August 1. The field investigation is conducted on August 15. The household is not required to report the change until it submits its next application, so the county would not take any action.

EXAMPLE B: A household goes to work on July 1. Its semi-annual report is submitted on July 10, but the household does not report the change on the report. The field investigation is conducted on August 15. The county will take action to add the earned income to the household's budget and to prepare an overpayment for August and (if appropriate) September.

If a field investigation is performed as part of processing the semi-annual report (i.e., after the form is received but before it is processed), any information provided by the field investigator will be used when the semi-annual report is processed.

EXAMPLE C: A field investigator goes out because a household reported that a household member lost their job and no new income was reported. The investigator determines a household member just went to work. The anticipated earnings must be shown in the household's budget when the semi-annual report is processed.

2. If the household has failed to timely report a change in circumstances, a notice will be issued to the household.

   If the household's benefits will decrease as a result of the change, an advance notice of adverse action must be issued. (An advance notice is required since a semi-annual report is not being processed.) If the household's benefits will increase as a result of the change, an adequate notice will be issued to the household. If the household must verify information as a result of the report, an RFC must be issued to the household. See SNAP 12400 for instructions.

3. An overpayment will be prepared for any month in which an over issuance occurred. See SNAP 15400 for instructions on preparing overpayments.

If the report is unsubstantiated, the worker will follow the procedures in SNAP 12400.

12441 Field Investigators and Out-of-State EBT Transactions

SNAP MANUAL 04/01/05

If a field investigator determines that a household has been consistently, and without apparent reason, spending SNAP EBT benefits in a state other than Arkansas, an investigation may be initiated. (For example, a household that lives in a city situated near a state line may consistently spend their benefits in a grocery store in the neighboring state. This would not constitute a questionable situation and no investigation would be necessary.)

If the field investigator finds through the investigation that the household has apparently moved from the State, the investigator will seek to verify the move. If the investigator can verify that the household has moved from Arkansas to another state, he or she will provide the verification to the DHS county office worker along with his or her report. If not, the investigator will indicate to the county office worker that he or she was unable to verify that the household has moved from Arkansas to another state.

If the field investigator provides verification that a SNAP household has moved from Arkansas to another state, the worker will immediately close the SNAP case. A notice may be sent to the household's last known address.

If the field investigator was not able to verify that a SNAP household has moved from Arkansas to another state, the worker will issue a request for contact to the household's last known address. See SNAP 12400 for additional instructions. If the household does not respond to the

request for contact, a ten-day advance notice of adverse action must be sent to the household's last known address before the case can be closed.

12450 Reports by Individuals / Generally Known Information

SNAP MANUAL 04/01/05

When an individual makes a report, the worker must attempt to obtain the individual's name and address. However, this is not required information.

When an individual gives his/her name but requests anonymity, his/her name will not be released to the household. The name will be removed from the case record if the household wants to review the record.

When an individual contacts the county office or other agency personnel to report unsolicited information about a household receiving SNAP benefits, the report must be substantiated through a field investigation or collateral contact.

For example, an individual reports that a SNAP recipient is employed at a local factory. First, the worker will check to see if the income has been reported by the household. If yes, no additional action is required. If no, the worker will follow the procedures in SNAP 12440 to substantiate the information. When information becomes known about a limited reporting household including those households subject to semi-annual reporting, the information must be analyzed to determine if the case will be affected right away. For example, if all household members have died or moved from the State, the case must be closed. If there are surviving household members, the deceased member will be removed from the SNAP budget. If the household's current situation cannot be verified, a request for contact must be issued as explained in SNAP 12400 prior to the action. If the notice returns Addressee Unknown/No Forwarding Address/Deceased, the case will be closed without further notice. See SNAP 11450. If a household member has been observed working, all circumstances regarding the unreported income will be documented in the case record. The employment will be verified when the next semi-annual report or application is submitted.

Changes in SNAP households may become known to the agency through common knowledge. Examples of common knowledge are:

1. The marriage of a member of a currently certified household is announced in the newspaper.
2. The obituary of a member of a currently certified household appears in the newspaper.

3. A county worker observes a member of a currently certified household working at a job although no employment or a different employer has been reported by the household.

When information on an occasional reporting household becomes known to the agency through general sources, the worker will follow the procedures in SNAP 12400 to substantiate the information.

When information becomes known about a limited reporting household including those households subject to semi-annual reporting, the information must be analyzed to determine if the case will be affected right away. For example, if all household members have died or moved from the State, the case must be closed. If a household member has been observed working, all circumstances regarding the unreported income will be documented in the case record. The employment will be verified when the next semi-annual report or application is submitted.

An overpayment will be prepared for any months during which an over issuance occurred due to the household's failure to timely report a change in circumstances.

12451 Returned Mail

SNAP MANUAL 02/01/18

When mail is returned by the post office with a message from the post office indicating that the addressee is unknown, has moved and left no forwarding address, or that the address provided does not exist, a Request for Contact (RFC) must be sent. If the addressee does not respond to the RFC then a 10 day notice to close the case will be sent. The worker must ensure that a county office error did not cause the mail to return. The county office worker must also ensure that the household has not reported an address change which was not processed or was processed incorrectly. The returned mail, including the envelope, must appear in the case record. The action to close the case must be fully documented.

12460 Handling Changes Reported by Limited Reporting Households

SNAP MANUAL 10/01/03

Reported By	Action Required	Policy
Household	Change must be processed within 10 days.	SNAP 12251
TEA Worker	Change must be processed within 10 days if it causes a decrease in benefits. Change must be processed within 10 days of the end of the TEA adverse action period if it will cause an increase in benefits.	SNAP 12310 SNAP 12320
Medicaid Worker	Within 10 days of the date of the reported changes, the change will be processed or a request for contact will be sent to request additional information.	SNAP 12410 SNAP 12400
Quality Assurance	Changes that occurred after the last application or semi-annual report must be processed at the next application or semi-annual report as appropriate. If the change should have been reported on the last semi-annual report or application but was not, the change will be processed within 10 days of QA's report unless additional information is needed. If additional information is needed, a request for contact will be issued to the household within 10 days of the date of the report.	SNAP 12430 SNAP 12400
Field Investigations conducted by Field Investigators or County Office Workers	Changes that occur after the last application or semi-annual report will be processed with the next application or semi-annual report, whichever is appropriate. If the worker does not know when the change occurred, the change will be processed at the next application or semi-annual report, whichever is appropriate. If the change should have been reported on the last semi-annual report or application but was not, the change will be processed within 10 days of the report unless additional information is needed. If additional information is needed, a request for contact will be issued to the household within 10 days of the date of the report.	SNAP 12440 SNAP 12400
Reports From the Public or Generally Known Information	Changes that occurred after the last application or semi-annual report must be processed at the next application or semi-annual report as appropriate. If the change should have been reported on the last semi-annual report or application but was not, the change will be processed within 10 days of the reported unless additional information is needed. If additional information is needed, a request for contact will be issued to the household within 10 days of the date of the report. EXCEPTION: Changes that immediately affect the case, (e.g., death of all household members, household moved from county) must always be processed as soon as possible, but no later than 10 days after the change became known to the worker.	SNAP 12400 SNAP 12450

13100 Supplements and Restorations – Summary

SNAP Manual 12/01/00

Supplemental SNAP benefits and restored SNAP benefits are issued to a household to correct:

1. An error made by the agency
2. An error that occurred in the automated system
3. An untimely action that occurred due to the failure or inability of the county office to process a change in a timely manner

A supplemental benefit is authorized to correct an issuance before the end of the month in which the issuance originally occurred. A restored benefit is authorized to correct an issuance that occurred in a prior month.

NOTE: Retroactive Supplemental Nutrition Assistance Program benefits are issued at the time of application approval for months in the application period prior to the month of approval. Retroactive benefits are not covered in this section of policy. See SNAP 8650 for instructions on authorizing retroactive benefits.

13200 Supplemental Issuances

SNAP Manual 10/01/03

The county office will provide supplemental benefits in the following situations:

1. When a reported change is not processed timely.
   Supplemental benefits will be provided to any household that does not receive the correct benefit amount because the county office failed to meet the time frames specified in SNAP 11410 for any reason.
2. When a reported change is held awaiting verification.
   When a reported change is subject to verification or is questionable, verification must be obtained before the worker can act on the change. If obtaining verification means that the change cannot be processed in accordance with the time frames specified in SNAP 11410, a supplemental issuance will be provided.
3. When an agency error occurs at certification, recertification, reported change, semi-annual report or mid-point review.
   Cases that are processed with an incorrect benefit amount will be provided a supplemental issuance if an error occurs due to any of the following reasons:
   - Arithmetic error
   - Incorrect calculation of income
   - Incorrect calculation of deduction
   - Incorrect household size used byworker
   - Computer error
4. When an automatic change is not processed due to a mismatch or program change.
   Any systems error that results in an under-issuance of SNAP benefits must be corrected. Cases that mismatch or are closed in error must be worked manually. Supplemental benefits will be issued if appropriate.

13210 How to Determine Amount of Supplement

SNAP Manual 12/01/00

Supplemental benefits will be calculated by determining the correct SNAP benefit amount for the current month, and subtracting the original SNAP benefit amount from the correct benefit amount.

Supplemental benefits are issued via daily issuance. See SNAP 14133.1 for instructions on authorizing issuance of supplemental benefits.

13300 Restored Benefits

SNAP Manual 10/01/03

Any household may request (in writing or orally) a restoration of benefits. A household is not required to go through the administrative hearing process before requesting a restoration. There is no time limit for making such a request. For example, in February 2001 a household may request a restoration of benefits based on a closure that occurred in March 2000.

All requests for a restoration of benefits will be evaluated within 10 days of the day the request was received. If the household is entitled to a restoration, the steps specified in SNAP 13310 will be completed. If the household is not entitled to a restoration, a *Notice of Action* (DCO-1) will be completed. The DCO-1 must specify that the request for a restoration has been denied, must provide the reason for the denial, and must state that the household has 90 days to appeal the agency's decision.

The household will be entitled to a hearing as specified in SNAP 13360.

Restored benefits will be issued when a household received an under-issuance of SNAP benefits in a previous month for reasons such as, but not limited to, the reasons listed below:

- County office worker error
- Incorrect computer entry
- Computer error
- Mismatch or computer error at the time of an automaticchange
- Erroneous denial of an application
- Erroneous closure of an active case (including an automatic closure) that causes a loss of benefits
- Issuance of an insufficient benefit amount because a reported change wasnot processed in accordance with the processing standards in SNAP11410
- Failure to process a mid-point review or a SNAP semi-annual report received in the county by the end of the report month
- Reversal of a county decision through the administrative hearing process when the household is determined eligible or entitled to more benefits
- An under-issuance of benefits discovered through a quality assurance review if the error is assessed to the agency
- Correction of errors in federal or state regulations using special instructions issued when such a restoration is required

13300 Restored Benefits

13210 How to Determine Amount of Supplement

SNAP benefits will be restored when a household incurs an under-issuance or "loss" of SNAP benefits due to an agency error. Lost SNAP benefits must be restored even if the household is currently ineligible or not participating in the Supplemental Nutrition Assistance Program.

No restoration will be authorized for SNAP benefits lost more than 12 months prior to the most recent of the following months:

1. The month the county office was notified (in writing or orally) by the household, another person, another agency or the Quality Assurance Unit that a specific household has possibly incurred a loss.
   OR
2. The month the county office discovered in the normal course of business that a loss occurred.

If the household was eligible but received incorrect benefits, the restoration will be authorized for those months within the 12-month limit when the household participated and a loss occurred.

For losses caused by an incorrect delay, application denial, or case closure, the date of initial loss must be determined.

If an eligible household's application was erroneously denied, the month of initial loss is the month of application, unless the household had filed a timely application for recertification. In that case, the month of initial loss is the month following the expiration of the household's certification period.

If a household's case was erroneously closed, the month of initial loss is the first month SNAP were not received as a result of the closure.

If an eligible household's application was delayed and a loss of benefits occurred as a result, the restoration will cover all months in which a loss occurred. For example, a household filed an application on January 25. The application was held until March 25. The application was approved, but the household was incorrectly found to be at fault for delay and benefits were prorated to March 25. Restored benefits will be authorized for January, February and March. January benefits will be provided from the date of application, January 25. Full benefits for February will be restored. For March, the difference between the household's full benefit amount and the prorated benefit amount will be either supplemented or restored to the household.

When a judicial action is the first action taken by the household to get restoration of lost benefits; benefits will be restored for a period of not more than twelve months from the date the court action was initiated.

When benefits are restored as the result of a judicial review of an administrative hearing, benefits will be restored under the following guidelines: *For no more than twelve months prior to the date the agency received a request for a restoration; or if no request for a restoration was received, the date the administrative hearing action was initiated; but never more than one year prior to the date DHS was notified of or discovered the loss.*

After the date of initial loss is determined, any month prior to the 12-month limit will be disregarded when restored benefits are authorized. The amount to be restored will be calculated for each subsequent month within the designated 12-month period until the first month when the error was corrected so that no loss to the household occurred or until the first month household became ineligible to receive SNAP benefits.

EXAMPLE: In March 2001, a county office worker discovered that a household lost SNAP benefits because excluded income had been incorrectly counted in the household's budget since July 1999. The worker determined that the 12-month period for which benefits could be restored is April 2000 through March 2001. In preparing the restoration, the worker determined that the last month the county used this excluded income in the budget was December 2000. Therefore, restored benefits were authorized for the months April 2000 through December 2000.

13310 Actions to Take When Authorizing Restorations

SNAP Manual 10/01/03

The household will not be asked to complete an application form, change report form, semi-annual report form or any other type of form to gather information to be used to complete a restoration.

Within 30 days of the date of discovery that a household may be entitled to a restoration of benefits, steps 1-3 must be completed.

Step 1: Determine the months for which a household may be entitled to a restoration of benefits. Begin by determining the month of initial loss. Examine the case to determine each subsequent month in which a loss possibly occurred. The extract amount issued for each month may be obtained from the Mail History Screen

(WFTD). Exclude any losses that occurred more than 12 months before a possible loss of benefits was discovered.

Step 2: Analyze the case to identify any information and/or verification needed to determine the exact amount of restoration due for each month in which a loss possibly occurred. For example, if a change form reporting a decrease in earnings was not processed, request verification of earnings for the months in which a loss possibly occurred.

Step 3: Contact the household via *Notice of Action* (DCO-1) when information and/or verification is needed for any month or months. The DCO-1 must specify:

- That the household may be entitled to a restoration of benefits
- The exact information needed to determine the amount of restoration - (e.g.- verification of earned income for month of loss)
- That no restoration will be authorized for the months in question unless the information is furnished

Step 4 through Step 10 must be taken within 30 days of the date when all of the information needed to calculate the amount of restored benefits is available to the county.

Step 4: Calculate the total amount of the restoration. Corrected budgets must be prepared so the household's income and resources will be accurately reflected for the months in which losses possibly occurred. The budgets must reflect the basis of issuance and standards (e.g., standard deduction) that were in effect during the month of loss. If the household does not supply information about allowable expenses, the expense will be disallowed.

NOTE: Verification of allowable expenses is not required unless the declared amounts are questionable.

Step 5: Determine the difference between the amount the household actually received (if any) and the amount the household should have received. If the household actually received less than it should have received, the difference will be the amount to be restored. Benefits will not be restored for any month in which the household was resource ineligible or for any month in which benefits were over-issued. (If the household actually received more than it should have received, the difference is an overpayment. See SNAP 15100 for instructions on preparing and submitting an overpayment.)

13300 Restored Benefits

13310 Actions to Take When Authorizing Restorations

Step 6: Determine if the restoration should be offset. When the household has a new or previously existing overpayment, the total restoration will be offset by the overpayment. See SNAP 13320 for instructions on offsetting restored benefits.

Step 7: Obtain supervisory approval via the *Report of Restored Benefits* (DCO-201). (A DCO-201 may be obtained through DHS SHARE.) The DCO-201 must contain the following information:

- The total amount to be restored
- The reason for the restoration
- How it was determined that the household was entitled to the restoration
- The months for which benefits will be restored

NOTE: A DCO-201 need not be completed if aged EBT benefits are being restoredto a household. See SNAP 13311.

Step 8: Notify the household via *Notice of Action* (DCO-1) of the restoration. The DCO-1 must specify the following information:

- The total amount of the restoration
- The reason for the restoration
- The months for which benefits are beingrestored
- The amount being offset, if any
- If offset is occurring, the reason for theoffset

The DCO-1 will also advise the household of its right to appeal the amount of the restoration and/or the amount of the offset. The household must submit its appeal within 90 days of the day of the notice of restoration.

Step 9: Prepare the authorization document.

If the total amount to be restored can be calculated without requesting additional information from the household or other source, the restoration must be authorized within 30 days of the date of discovery. If additional information and/or verification must be obtained to determine the restoration amount, the restoration must be authorized within 30 days of the date on which all of the required information and/or verification was received.

Partial restorations will be authorized when the county can determine the restoration amounts for some, but not all, of the months in the restoration period. For example, a household may be

entitled to a restoration for a six-month period; however; the county only has the information necessary to complete a restoration for a four-month period. The restoration for the four-month period will be authorized within 30 days of the date on which the potential restoration became known to the county. The restoration for the two remaining months will be authorized within 30 days of the date when the information necessary to determine the restoration is received.

13311 Restoring Aged Benefits

SNAP Manual 10/01/01

DELETED

13320 Offsetting Claims

SNAP Manual 10/01/01

Before restoring benefits to a household, the county office worker must determine if the household has an unpaid claim. If the purpose of the restoration is to restore aged SNAP benefits, no offset will occur regardless of the type or status of the claims against the household. Claims against the household are listed on the Recipient Overpayment Accounting System (ROAS). See SNAP 15501. If the household has an unpaid claim, the claim must be offset before benefits are restored.

If a claim against a household is unpaid or held in suspense, the amount to be restored will be offset by the amount due on the claim. The balance, if any, is restored to the household.

13330 Restorations to Individuals Disqualified For Fraud

SNAP Manual 12/01/00

Individuals disqualified for fraud are entitled to a restoration of any benefits lost during the months they were disqualified only if the decision that resulted in the disqualification is subsequently reversed. An individual is not entitled to a restoration of benefits lost during a disqualification period just because there was no criminal conviction. The individual must successfully challenge the disqualification in a separate court action before benefits are restored. The county office must include a copy of the court order in the case record.

13340 How to Issue Restored Benefits

SNAP Manual 12/01/00

See SNAP 14133.2 for instructions for authorizing issuance of restored benefits.

13350 Restoring Benefits to Households That Move

SNAP Manual 12/01/00

When benefits are due a household that intends to move, benefits will be restored prior to the move, if possible. If this is not possible, the restoration will be handled as instructed below.

Within the State
If the household is due restored benefits and moves before the benefits are restored (or fully restored); the receiving county will authorize the restoration.

The losing county will document the case record in sufficient detail to clearly convey the necessary information about the restoration to the receiving county.

Out of the State
Restored benefits will be authorized as instructed in SNAP 13310. If the county office does not know the departing household's new location or address, the restoration will be available for up to one year from the household's departure. Should the household contact the county during this period, the restoration will be authorized.

13351 When Household's Membership Has Changed

Whenever benefits are to be restored to a household and that household's membership has changed, the benefits will be restored to the household containing a majority of the individuals who were household members at the time the loss occurred. If the county office worker cannot locate the household that contains a majority of former household members, the benefits will be restored to the household containing the individual who was the case head at the time the loss occurred.

13360 Restorations When Household's Membership Has Changed

SNAP Manual 12/01/00

If a household believes it is entitled to a restoration of lost benefits, but the county, based upon a review of the case record, does not agree, the household has 90 days to request an administrative hearing. Day one of the 90-day period will be the date the household was notified, in writing, that the request for restoration was denied.

A household may also request an administrative hearing to dispute the amount of the restoration, the method of calculation, or the amount of offset. Hearings must be requested within 90 days of the date that the household was notified, in writing, of the restoration.

If a hearing is requested before benefits are restored, the amount calculated by the county office will be issued to the household. If the hearing decision is favorable to the household, another restoration will be made.

14000 Issuance of Benefits – Summary

SNAP Manual 12/01/03

Issuance of Supplemental Nutrition Assistance Program benefits in the State of Arkansas operates in the following sequence:

- The county office authorizes issuance of SNAP benefits.
- Benefits for initial applicants are authorized on a daily basis. Monthly benefits for currently certified cases are authorized at the end of each calendar month for the following calendar month.
- Benefits are issued through an Electronic Benefits Transfer (EBT) system utilizing a device similar to a debit card.
- When a household applies for the first time or when an applicant needs a new EBT card, the card is mailed to the household. After the EBT card is received, the SNAP household must contact the Customer Service Help Desk at 1-800-997-9999 to select the personal identification number (PIN) that must be used with the EBT card.
- To purchase food with the EBT card, the SNAP household takes the card to any grocery store authorized by the Department of Agriculture, Food and Nutrition Service (FNS) to accept SNAP benefits. At the grocery store, the EBT card is swiped through a point of sale (POS) device.
- When the card is swiped, the EBT contractor electronically credits to the merchant's bank account an amount equivalent to the SNAP purchase, and the household's SNAP EBT account is electronically debited for the amount of the purchase.

14100 Types of Issuance

SNAP Manual 12/01/03

On each monthly and daily *County/Name Listing* (FS-147) a three-digit code, representing the transaction type, appears in the first column. The same transaction types appear on the WFTD screen and the Aid/Benefit History tab in ANSWER. The following chart lists each transaction type and briefly describes the transaction.

Transaction Type	Description
000	A regular monthly or daily extract which may include: Prorated benefits (SNAP 14122) Restorations and retroactive benefits (SNAP 14110) Recoupments (SNAP 14110) Aggregate benefits (SNAP 14120)
001	Second authorization of benefits for individual residing in a battered women's shelter (SNAP 14134)
002	Retroactive only benefits (SNAP 14121)
200	Reissue of current month's benefits (Code not presently in use)
300	Supplemental benefits (SNAP 14133)
400	Replacement of food purchased with SNAP benefits and then later lost in a disaster (SNAP 14132)
500	Special situations (SNAP 14135)
600	Restored benefits (SNAP 14133.2)

14110 Monthly Extract

SNAP Manual 12/01/03

SNAP benefits are authorized on a monthly basis for all households currently participating in the Supplemental Nutrition Assistance Program. When monthly benefits are authorized, SNAP benefits may be withheld (recouped) as a result of an overpayment claim against the household. Recoupments are identified on the Aid/Benefit History tab in ANSWER by the appearance of a code C in the TSCF column. See SNAP 15531 for additional information. When monthly benefits are authorized, restored benefits may be issued to the household. Restorations are identified on the SNAP History Inquiry Screen (WFTD) by the appearance of a code S in the TSCF column.

14120 Daily Issuance Extract

SNAP Manual 12/01/03

SNAP benefits are authorized on daily issuance when an initial application is approved, when a SNAP case is reinstated, or when an adjustment is keyed to the Aid/Benefit History tab in ANSWER.

14121 Retroactive Benefits

SNAP Manual 12/01/03

Retroactive SNAP benefits are authorized via daily issuance at the time of application approval if:

1. The household's application was filed in a month prior to the month of application approval; and
2. The household was eligible for benefits during the retroactive month or months;and
3. The county office was at fault for the delay in processing the application.

Under certain conditions, retroactive benefits are authorized for a household that is not currently eligible for SNAP benefits. The Daily Report of Messages (PO-0792) will list retroactive benefits that extract on daily issuance. Retroactive benefits will be identified on the SNAP Aid/Benefit History tab by the appearance of a code T in the TSCF column.

See SNAP 8650 for additional information about retroactive benefits. See SNAP 8520 for instructions on determining fault when an application is delayed.

14122 Prorated Benefits

SNAP Manual 12/01/03

Benefits for households that file an initial application for SNAP benefits as defined in SNAP 8100 are prorated to the date of application and authorized via daily issuance. SNAP 8610-8612 contains additional instructions about prorated benefits.

14123 Aggregate Benefits

SNAP Manual 12/01/98

Aggregate benefits are benefits for the month of application and the following month. Aggregate benefits are automatically extracted and authorized via daily issuance when an initial application is filed after the 15th day of the month and is approved on or before the last day of

the same month. Aggregate benefits will be identified on the Aid/Benefit History tab by the appearance of a code F in the TSCF column. See SNAP 8651 for additional information.

14130 Benefits Authorized Via Aid/Benefit History Tab

SNAP Manual 07/01/13

The following benefits must be authorized via daily issuance using the Aid/Benefit History tab.

1. Replacement of food purchased with SNAP benefits and lost in a disaster;
2. Reissue of benefits to residents of shelters for battered women;
3. Supplemental issuances;
4. Restored benefits issued to households currently participating in the Supplemental Nutrition Assistance Program; and
5. Reissue of current month's benefits. (Normally, used to correct systems problems)

14132 Replacement of Food Lost in a Household Misfortune

SNAP Manual 07/01/13

Households may request a replacement of food purchased with SNAP benefits and subsequently destroyed in a household misfortune such as, but not limited to, a fire, flood or tornado. When a household indicates part or all of the food the household purchased with SNAP benefits was destroyed in a misfortune, the agency must take the following steps:

Step 1: **Have responsible household member must complete a *Declaration of Food Loss* (DCO-238).**

- If the household member cannot complete the DCO-238, the agency may complete the form and have the household member sign the form.
- If the household does not provide verification of the power outage or the agency cannot obtain it, then request verification via the DCO-1. The household must be allowed 10 days to furnish the requested verification. Go to Step 2.

Step 2: **Determine if the misfortune qualifies for a replacement.**

- Determine if the misfortune was reported within 10 days of the date of the occurrence.

Note: If the misfortune is due to a power outage, the 10 day countbegins the date the power is restored.

- If the misfortune is the result of a power outage, determine if the power was out long enough. The two statements below are a general guide for determining if the household misfortune qualifies for a replacement.
    - A refrigerator will keep food cold for up to four hours during a power outage.
    - A full freezer will keep its temperature for up to 48 hours and up to 24 hours half full during a power outage.
- If yes, go to Step 3.
- If not, deny the household's claim and provide the household with the form *Notice of Action* (DCO-1) explaining the reason for the denial.

Step 3: **Calculate the replacement value.**

- Enter the date of the misfortune on the Food Loss Replacement Worksheet (DCO-238W) as shown on the DCO-238. If the loss was the result of a power outage, enter the date the power was restored.
- Enter the date reported as shown on the DCO-238, if the difference between the date of the occurrence and the date the loss was reported is more than 10 days, STOP HERE.
- Once the date of the misfortune and date reported fields are entered on the DCO-238W, the look-back period will automatically populate.
    - The 30 day count will begin with the misfortune date and end after counting back 30 days with misfortune date counting as day 1.
- Enter the current monthly benefit amount. In the case of an initial application include the aggregate amount if received.
- Enter the most recent purchases 30 days prior to and including the date of the occurrence on the DCO-238W (most recent purchases can also be exported from EBT into the worksheet).

Note: **THE AMOUNT AUTHORIZED MAY NOT EXCEED THE CURRENT MONTH'S SNAP BENEFIT AMOUNT**. (If current month's benefits are not yet available, the amount authorized may not exceed last month's benefits.)

- The Food Loss Replacement Worksheet (DCO-238W) will automatically prorate purchases during from the look-back period using the Benefit Replacement Proration Chart.
    - Rounding of purchases will be done in the background in the worksheet after calculations are completed.
    - Example: Maxine completes a DCO-238 to report a misfortune because she had a house fire. She reports losing food. Maxine receives $ 668 for a household of 4. The fire occurred on March 20. She reported the fire on March 25.
        - The purchases from March 20th to February 19th will be used to calculate the food replacement. March 20th is day 1, February 19 is day 30.
        - Once each purchase is entered, the Food Loss Replacement Worksheet will calculate the transactions using the Benefit Replacement Proration Chart and complete the total replacement amount.

Purchase Date	Purchase Amount	# of Days to Prorate	Amt. Eligible for Replacement	Total Replacement
Feb. 25th	$150	24	35.01	
Feb. 28th	$100	21	33.34	
March 15th	$50	6	41.67	$110.02

        - Total food replacement: $110.02 ($110.00)
- If total exceeds current monthly benefit, then round down to currenttotal.
- Fully narrate all actions taken on the case.

Step 4: **Complete the replacement using the Budget Summary and Aid Benefits History tabs in ANSWER.**

- The serial number for the month's benefits being replaced will be used to key the replacement. The transaction type for the replacement is **451**.

- Replacement issuances shall be provided to households within 10 days after report of loss or within two (2) working days of receiving the required documentation, whichever date is later. Go to Step 5.

Step 5: **Issue to the household a DCO-1.**

Specify the amount of the replacement and the approximate date the benefits will be available..

14133 Supplemental Benefits / Restored Benefits

SNAP Manual 12/01/98

Supplemental benefits or restored benefits are issued by the agency to correct an error made by the agency. This includes, but is not limited to, case processing errors, system errors, and contractor errors. The distinction between a supplemental benefit and a restored benefit depends on the month of issuance. Supplemental benefits are authorized in the same month as the incorrect benefits while restored benefits are issued in a month after the incorrect benefits were issued.

This section provides only instructions on authorizing issuance of supplemental and restored benefits. See SNAP 13100 for instructions on determining the correct amount of supplemental or restored benefits to be authorized.

14133.1 Authorization of Supplemental Benefits

SNAP Manual 07/01/13

Supplemental benefits are authorized in the same as the benefits that are being corrected unless these benefits were issued as aggregate benefits as instructed in SNAP 8651. Aggregate benefits must have been issued in the month before the current month.

The following instructions must be followed to authorize supplemental benefits:

- Issue the supplement using the Aid/Benefit History tab in ANSWER. Use the serial number of the benefits to be supplemented. For aggregate benefits, use the serial number of the benefits identified with a code F in the TSCF column of the Aid/Benefit History tab. Use one of the following transaction types:

- 321 Arithmetic error
- 324 Incorrect calculation of income
- 325 Incorrect calculation of deduction
- 327 Incorrect household size
- 328 Input not correct or not processed correctly after entry
- 329 Failed to process change timely
- 333 Failed to increase benefits as a result of an increase in household size or decrease in income of $50 or more
- 334 Other or combination of two or more listed above

- Review the SNAP Addition Interface to ensure the household size is correct. If there are no corrections needed, enter the amount of the supplement.

14133.2 Authorization of Restored Benefits

SNAP Manual 12/01/03

Restored benefits may be authorized with a household's regular monthly benefits or as a separate issuance. Restorations will be authorized via the Aid/Benefit History tab when the household's monthly benefits have already authorized and issuance the restoration should not be delayed until the household's next regular issuance. Restorations will be authorized with an ANSWER transaction (a 500 code) when the SNAP case is closed or has expired or when the restoration may be issued with the next month's regular benefits.

To authorize restored benefits via Aid/Benefit History tab, the worker must key an RO transaction. If an RO transaction is entered for a case already on the SNAP Master File, restored benefits will extract on the next daily issuance. If an RO transaction is entered for a case not currently on the SNAP Master File, restored benefits will extract at the next monthly extract.

The following instructions must be followed to authorize restored benefits via Aid/Benefit History tab:

Step 1: Issue the supplement using the Aid/Benefit History tab in ANSWER. Use the serial number of the benefits that have already extracted in the current month. (Call the Supplemental Nutrition Assistance Program Section for assistance if authorizing restored benefits when aggregate benefits were issued.) Use one of the following transaction types:

- 601 Arithmetic error

- 602 Failure to give retroactive benefits
- 603 County decision reversed by administrative hearing
- 604 Incorrect calculation of income
- 605 Incorrect calculation of deduction
- 606 Incorrect calculation of resource
- 607 Incorrect household size
- 608 Input not keyed or not keyed timely
- 609 Failed to process change timely
- 610 Failed to increase benefits as a result of an increase in household size or decrease in income of $50 or more
- 611 Case closed, denied, or benefits reduced due to othermisapplication
- 614 Other or combination of the above
- 650 Aggregate benefits were cancelled and then re-mailed in the month after extract

Enter the amount to be restored. Go to Step 2.

Step 2: Enter the information from the DCO-248 via the SNAP Automated 248 Screen (WFMO).

The *Daily Report of Messages* (PO-0792) contains a listing of restored benefits that extract on daily issuance.

14134 Issuance to Residents of Battered Women's Shelters

SNAP Manual 12/01/03

Individuals, who enter a shelter for battered women and children, as defined in SNAP 1840, may be entitled to receive an additional issuance of benefits if this individual is currently included in an active SNAP case with the person who abused them.

An additional issuance of benefits will not be authorized if the abused individual is the case head. If the case head does not have the EBT card in their possession, the original card will be deactivated and replaced as instructed in SNAP 14400.

If the abused individual is not the case head, a SNAP application will be processed with the abused individual as the case head. See SNAP 1841. Benefits will be prorated to the date of application. See SNAP 8610 for information about proration.

To authorize an additional issuance of benefits to a resident of a battered women's shelter, the county office will:

Step 1: Complete the form *SNAP Automated Adjustment* (DCO-248). Use the serial number of the benefits to be supplemented. For aggregate benefits, use the serial number of the benefits identified with a code F in the TSCF column of the SNAP History Screen (WFTD). Use transaction code 001. Enter the number of household members residing in the shelter. Enter the benefit amount after proration. Go to Step 2.

Step 2: Enter the information from the DCO-248 via the SNAP Automated 248 Screen (WFMO).

14135 Code 500 - Special Transactions

SNAP Manual 12/01/03

The 500 transaction is used when the county cannot authorize SNAP benefits due the household through a normal transaction. No 500 transaction can be keyed unless the transaction has been authorized by the Central Office Supplemental Nutrition Assistance Program Section at 682-8190.

14200 Failure to Extract on Daily Issuance

SNAP Manual 12/01/03

At times, SNAP benefits authorized via daily issuance will fail to extract. Benefits that fail to extract are listed on the Daily Report of Messages (PO-0792). A message on the report indicates the reason for failure to extract. The following chart provides a listing of the error messages, the reason for the error, and the action required, if any.

Error Message	Explanation	Action Required
PRORATE FIGURED LESS THAN 10 DOLLARS	Initial month's benefits prorated to less than $10.	None. Initial month's benefits that prorate to less than $10 are not issued to the household. NOTE: If benefits should not have prorated to less than $10, approve another application with the correct information.)
BEG-CRT HAS FUTURE DATE or START MO IS PAST DATE	The beginning month of certification is later than the month in which the application was approved.	None, if the household is not eligible for SNAP benefits in the month of application approval. If the certification period does not include the current month but the benefits are for a prior month, a restoration will be authorized. If the certification period should include the current month, the certification period must be corrected by approving another application with the correct certification period. When the application is approved, the benefits for the current month will extract.
DUPLICATE EXTRACT DELETED	The case has more than one transaction keyed, but a duplicate extract was prevented.	No action is required.
RETRO OR RESTORATION > 0	The household will receive retroactive or restored benefits when their regular monthly benefits are authorized.	No action is required.

Error Message	Explanation	Action Required
CASE NOT OPEN - 600 TRANSACTION	The SNAP case is in closed status and a 600 transaction was keyed to the WFMO screen. The restored benefits cannot be authorized via WFMO.	Contact ANSWER System Support.
CASE OPEN & THIS WFMO REC	The SNAP case is in open status with a certification period that does not include the current month and the 600 transaction was keyed to the WFMO screen. The restored benefits cannot be authorized via WFMO.	Contact ANSWER System Support.
CASE CLOSED & THIS WFMO REC	The SNAP case is in closed status and a 650 transaction was keyed to the WFMO screen. The benefits cannot be authorized via WFMO.	Contact ANSWER System Support.
ISSUED BENEFIT GREATER THAN MAX	The amount of benefits on the SNAP case was greater than the maximum benefit amount of $1,800.	Contact ANSWER System Support.
CANNOT EXTRACT RETRO	The beginning month of the certification period is not a month earlier than the current month or the case was closed before the retro benefits extracted.	Contact ANSWER System Support.
ISSUED VALUE EQUAL ZERO	The current month's benefits prorated to zero. Or The certification period does not include the current month.	If prorated retroactive benefits are less than $10.00, this message will appear. No action is required. If the certification period does not include the current month but the benefits are for a prior month, a restoration will be authorized. If not, the certification period must be corrected to reflect the current month by approving another application with the correct certification period. When the application is approved, the benefits for the current month will extract.

14300 Electronic Benefits Transfer (EBT)

SNAP Manual 12/01/03

SNAP benefits are issued via the Electronic Benefits Transfer (EBT) system through the use of a magnetic stripe plastic card at a point of sale (POS) device in a grocery store or other outlet. All locations that accept SNAP benefits are authorized by the Department of Agriculture, Food and Nutrition Service (FNS) to do so. Each EBT card contains the cardholder's name and a Primary Account Number (PAN) which is unique to the card.

Generally, only one card will be issued to each household. The head of the SNAP budget unit (self, head or household) will be the primary cardholder.

A household may name up to two alternate payees. An alternate payee has a separate EBT card with his or her name on the card, a separate card number and personal identification number (PIN) and has access to all the benefits in the SNAP account. An alternate payee may or may not be a household member, but all EBT cards will be mailed to the SNAP household's mailing address. An alternate payee who is not a household member must be designated by the household as an authorized representative. See SNAP 14330 and SNAP 900-983.1 for additional information.

Households receiving both Transitional Employment Assistance (TEA) and SNAP benefits will use the same EBT card to access both accounts if the primary payee is the same for both cases. If not, two cards will be issued—one to be used for the SNAP account and one to be used for the TEA account. (Two cards are also issued when there is a difference in the SSN's or dates of birth in the SNAP and TEA cases.)

14310 Issuance of Cards

SNAP Manual 12/01/03

EBT cards are issued through the mail by a contractor. EBT cards are mailed by the first work day following the day an application is approved or a replacement card is requested.

14320 Personal Identification Number

SNAP Manual 12/01/03

A four-digit personal identification number (PIN) must be used with the EBT card to access benefits. The household must call the Customer Service Help Desk at 1-800-997-9999 to select their PIN. The PIN will not change unless the household requests a change. NOTE: Even if a new EBT card is requested, the PIN will remain the same unless the household requests a new PIN. It

is important that the household not share the PIN with anyone or write the PIN anywhere that an unauthorized person could see it.

If a cardholder forgets their PIN or believes an unauthorized individual has learned their PIN, a new PIN must be assigned. The cardholder must call the Customer Service Help Desk at 1-800-997-9999 to report problems with the PIN or to request a new PIN. After the Help Desk verifies the customer's identity, the client will select a new PIN and the old PIN can no longer be used.

14330 Authorized Representative

SNAP Manual 12/01/03

A SNAP household may name an authorized representative to make application for SNAP benefits and may name the same authorized representative to access SNAP benefits on behalf of the household. See SNAP 900-983.1 for additional information.

An authorized representative may or may not serve as an alternate payee. (The distinction between an alternate payee and an authorized representative is that the alternate payee has a separate EBT card, card number and PIN. The authorized representative does not.) The SNAP case head should be aware that an alternate payee has access to all the benefits in the SNAP account. See SNAP 14300 for additional information.

14340 Availability of Benefits

SNAP Manual 04/23/12

SNAP benefits are available twenty-four hours a day, seven days a week. Monthly SNAP benefits are credited to the recipient's account at 12:01 a.m. on the calendar dates shown below.

Last Digit of Recipient's SSN	Availability Date
0-1	4th calendar day of the month
2-3	5th calendar day of the month
4	8th calendar day of the month
5	9th calendar day of the month
6	10th calendar day of the month
7	11th calendar day of the month
8	12th calendar day of the month
9	13th calendar day of the month

When benefits are authorized through daily issuance, the benefits extract that night and will become available the next calendar day at 6:00pm.

Note: Benefits authorized on the weekend or a holiday will actually authorize the next business day and become available at 6pm the day after.

Example 1: Application approved Saturday, August 11, 2012; benefits will extract Monday, August 13, 2012 and become available to the household on Tuesday, August 14, 2012 at 6pm.

Example 2: Application approved Wednesday, July 4, 2012; benefits will extract Thursday night and become available to the household Friday, July 6, 2012 at 6pm.

14350 Cancellation of Benefits

SNAP Manual 04/23/12

No benefits will be held at any time.

Each day, the Supplemental Nutrition Assistance Program Section reviews the daily issuance extract and will cancel benefits on the extract during the prior to availability if:

- An incorrect amount extracted; or
- The authorized amount is excessive for the household size; or
- The transaction will otherwise cause an imbalance in the accountingprocess.

Counties are notified of the cancellation via the Daily Cancellation Report (PO-783).

Benefit Extract-Monthly and Daily

Under certain specific conditions, the Supplemental Nutrition Assistance Program Section will cancel SNAP benefits after extract for issuance on the monthly extract and before the benefits become available to the household.

The Supplemental Nutrition Assistance Program Section will approve a county office request to cancel SNAP benefits after monthly extract and before the availability date if the county office has reliable information that the household has moved from the State or that all household members are deceased. In other situations, the household would be entitled to a notice of adverse action prior to case closure or a reduction in benefits. (Benefits will not be cancelled if an advance notice of adverse action expires after extract but before the availability date.)

Benefits may also be cancelled prior to the date of availability to prevent an overpayment **IF** the county office is at fault for the over-issuance and the household has been properly notified of the benefit change as described above. (It may be necessary to issue a corrected notice.) See the chart at the end of this section for instructions for re-authorizing cancelled benefits.

All cancellation requests must be submitted by e-mail to the Supplemental Nutrition Assistance Program Section. (If necessary, contact the Program Eligibility Analyst for the current contact person in the Supplemental Nutrition Assistance Program Section.) The e-mail should provide the name and SSN of the SNAP case head and must be accompanied by a clear explanation of the reason for the cancellation request. The cancellation of benefits must be completed on the same day of the request. (This will create an audit trail for the cancellation.)

The Program Eligibility Coordinator or a designee should approve and/or submit all requests for cancellation.

The Supplemental Nutrition Assistance Program Section will review the request, take the appropriate action either to cancel the benefits or to deny the request, and notify the county office via email of the decision. It may be necessary to contact the individual to request additional information about the situation. If so, the request will be sent by e-mail.

The DHS County Office will be responsible for issuing corrected notices (if needed) and for re-authorizing cancelled benefits if appropriate. See the chart at the end of this section for instructions for re-authorizing cancelled benefits.

Tips for Requesting a Cancellation

- Client-caused overpayments of SNAP benefits **will not** be cancelled after extract. You must notify the household before you take an action to correct the SNAP case.
- SNAP benefits **cannot** be cancelled after they become available to the household. If the household is over-issued, an overpayment must be prepared.
- SNAP benefits will not be cancelled after monthly extract if the household's advance notice of adverse action ends after extract but before the SNAP benefits become available.
- The Supplemental Nutrition Assistance Program Section cannot cancel benefits before they extract. If you realize **on the day of application approval** that you have improperly approved a SNAP case, you should attempt to correct the case. To correct the case, you can key a new approval using the same application date but changing the certification date to a previous period (ex. 12/01/05-12/05). The benefits will not extract. If the household is entitled to benefits for the current month, you will have tocontact

ANSWER System Support to get benefits extracted. Always check the next day to make sure that the correction worked.

- If your county had a problem that caused a number of cases to extract in error, please notify the Supplemental Nutrition Assistance Program Section of the problem and send a list of the requested cancellations rather than sending each request individually.

To reauthorize cancelled benefits, the worker must follow the instructions provided in the chart below.

Type of Cancelled Transaction:	Action to take to Reauthorize
Monthly benefits cancelled to prevent an overpayment	Obtain authorization and then enter a correct 500 transaction.
Battered Women Reissue **001 transactions**	Enter a correct 001 transaction.
Supplements **300 series transactions**	Enter a correct 300 transaction.
Replacement of Food Lost in Disaster **451 transaction**	Enter a correct 451 transaction.
Special Situations **500 transactions**	Obtain authorization and then enter a correct 500 transaction.
Restorations **600 series transactions**	Enter a correct 600 transaction.
Aggregate Benefits **650 transaction**	• If aggregate benefits are to be reissued in the same month as the original issuance, enter a 200 transaction (reissue of current month's benefits). • If aggregate benefits are reissued in the month after the benefitswere originally issued, enter a 650 transaction. • If the benefits are to be reissued in any subsequent month, entera 612 transaction (restoration).

14360 Account Balances

SNAP Manual 12/01/03

An EBT SNAP benefit account does not close when a SNAP case closes. The former recipient remains entitled to the account balance. As long as benefits remain in the EBT SNAP account, the former recipient may still have cards issued or reissued and select or change PINs.

Benefits remain available to the household for 12 months from the date of availability. After six months with no activity, the EBT account is in a dormant status. Even if the account is in a dormant status, the household may continue to access their benefits for up to 12 months from the date of availability. After 12 months, the benefits are expunged from the account. The household may no longer access these benefits; however, they may be applied to an overpayment. See SNAP 15800.

14400 Replacing Lost, Stolen or Damaged Cards

SNAP Manual 12/01/03

It is important that SNAP households understand they must report lost or stolen SNAP EBT cards immediately because SNAP benefits stolen from EBT accounts cannot be replaced

SNAP households must call the Arkansas EBT Help Desk at 1-800-997-9999 to report lost, stolen or damaged cards. There is no charge to the cardholder for replacement of lost, stolen or damaged cards.

If a member of a SNAP household calls the DHS county office to report a lost or stolen card, the county office worker must advise the household to contact the EBT Help Desk at 1-800-997-9999. If the household reports in person, the county office worker will help the household call the customer service number and report the card was lost or stolen. If the county office worker does not advise the household of the correct procedure and the EBT card is not deactivated as a result, the household may be entitled to a restoration of those benefits spent after the day of the reported loss. (The SNAP and EBT Unit must authorize all such restorations.) The *Telephone Report* (DCO-271) instructs county office workers to refer reports of lost cards to the EBT Help Desk. Replacement cards will be issued through the mail.

Whenever an EBT Help Desk customer service representative receives a call from an Arkansas SNAP benefit recipient, he or she first verifies the name and address of the cardholder. If either is incorrect, no action will be taken to replace a card. The caller will be told that the name/address information must be updated before a replacement card can be mailed. In most cases, if there is a discrepancy in the name/address information, the customer service representative will immediately "status" the EBT card. (This means the card is placed in an inactive status.) The client must contact the DHS county office and request correction of the discrepant information. When the DHS county office has made the necessary corrections, the client must once again call the EBT Help Desk at 1-800-997-9999 and request replacement of the lost or stolen card.

14500 Treatment Centers

SNAP Manual 12/01/03

Narcotic addicts or alcoholics who reside at a facility, treatment center or certain mental health centers for the purpose of regular participation in a drug addiction or alcoholism treatment and/or rehabilitation program must be certified using an authorized representative (AR) who is an employee of the center.

The AR is the only person who can access a client's benefits while he or she is a resident of the treatment center. An EBT card will be issued to the resident at the center's address. See SNAP 981.3 for instructions. Once the client leaves the facility, the county office must be so notified immediately. The county office must then take action to remove the center employee as the client's authorized representative, and the center must give the EBT card to the resident at the time the resident leaves the facility. The resident will be instructed to call 1-800-997-9999 to request a new personal identification number (PIN) upon departure. If the center cannot give the EBT care to the resident when they depart, the card must be destroyed.

The center may install a point of sale (POS) device to allow the AR to access the EBT benefits. Before a point of sale device may be installed, the facility must be approved by the USDA, Food and Nutrition Service. See SNAP 980.

When a client leaves a treatment center that utilizes a POS device and is entitled to part of their benefits as explained in SNAP 981.5, the facility will do a SNAP purchase refund. This will debit the center's daily transactions and credit the client's SNAP benefit account.

Another way for the facility to access the SNAP benefits is to determine a prorated daily amount based on that individual's SNAP benefit amount. The facility will then swipe the card each week or every other week based on the cost of the client's meals for that period.

Centers not approved by Food and Nutrition Service must shop with the individual cards. In these centers, the ARs must carefully monitor the use of the cards to insure that one-half of the regular monthly benefits are left in the client's account until the 16th of the month.

14600 Group Living Arrangements

SNAP Manual 03/01/00

Eligible SNAP clients residing in a group living arrangement are certified as a one person household. In these facilities the customer may or may not be certified through an authorized representative (AR) who is an employee of the group living arrangement (see SNAP 982). In order to avoid duplicate entries on the ANSWER System, the AR will not be classified as an alternate payee or the primary payee. Instead, the authorized representative will maintain physical control over the EBT card and PIN. These decisions will be made by the group living arrangement on a case by case basis.

14700 Homeless Households

SNAP Manual 12/01/03

A homeless household's EBT card will be mailed to the household if the household has an address considered deliverable by the U.S. Postal Service. For example, the EBT card could be mailed to a general delivery address or sent to a homeless shelter.

If the household does not have an address, the EBT card may be sent to the county office. Any time the county office's address is used by a homeless household to receive an EBT card, the receipt of the EBT card must be recorded in the County EBT Card Log. A sample of this log is provided in *The Arkansas Benefits Transfer Handbook*.

Any EBT card received in a county office must be held in a safe or in a locked file cabinet in a secure location within the office. County office staff must not have routine access to the safe or file cabinet where EBT cards are held.

If an envelope containing an EBT card is opened before the envelope is delivered to the household, a supervisor or designee must destroy the EBT card. The destruction of the EBT card will be recorded on the *Affidavit of Destruction for EBT Card and PIN Log*. A sample of this log is provided in *The Arkansas Benefits Transfer Handbook*. The household must call the Help Desk at 1-800-997-9999 to request another EBT card and PIN.

If a homeless household fails to pick up the EBT card within 90 days, the EBT card must be destroyed. All destroyed EBT cards must be recorded on the *Affidavit of Destruction* for EBT Card Log. The destruction of the EBT card must also be recorded in the SNAP case record. Any household that appears in the county office after the destruction will be instructed to call the Help Desk at 1-800-997-9999 to request a new EBT card.

14900 SNAP EBT Adjustments

SNAP Manual 06/01/02

An EBT adjustment occurs when benefits are returned to a household's account after they were deducted in error.

EXAMPLE: A household member uses an EBT card to purchase groceries. Due to a system error, SNAP benefits are debited from the household's EBT account twice for the same transaction.

The household has 90 days from the date of the problem transaction to contact the Arkansas EBT Help Desk at 1-800-997-9999 and inform the customer service representative that a problem has occurred. The household will need to tell the customer service representative the date, time and location of the transaction and the amount of SNAP benefits that were debited in error.

If this is found to be a legitimate request, the funds should be returned to the household's EBT account within 10 business days from the date the household filed the report with the Arkansas EBT Help desk. A business day is any calendar day other than a Saturday, a Sunday or a federal holiday.

If the household's request for a credit adjustment is denied, the household may request an administrative hearing (see SNAP 14922). The EBT Unit will provide documentation to the county office for the hearing. No action will be taken to credit the household's EBT account to correct the alleged system error unless the hearing decision is in the household's favor.

15100 Overpayments – Summary

SNAP Manual 03/01/02

An overissuance occurs when a Supplemental Nutrition Assistance Program household receives more benefits than the household was entitled to receive. In this section of policy, the term "overpayment" will be used to refer to claims established against households that received an overissuance of SNAP benefits.

This section of policy covers:

1. When and how to prepare an overpayment
2. How to submit the overpayment to the Overpayment Unit
3. Overpayment Unit's responsibilities
4. State income tax interception
5. The federal Treasury Offset Program (TOP)

The State will initiate or pursue collections only of SNAP benefits paid as a result of improper issuance, or over issuance. The State will not initiate or pursue collections of properly issued benefits. The State will not collect over issuance in a manner contrary to federal law or regulation.

The State will have 180 days from the date of discovery of an overpayment to complete an overpayment. This means the overpayment will be prepared and either the State will begin collection or will refer the case to a prosecutor's office for possible legal proceedings. The date of discovery is the date when a county office worker or a Fraud Unit worker establishes the existence of an overpayment through documentary evidence.

15110 Types of Overpayments

SNAP Manual 07/01/02

The three types of overpayment claim referrals are inadvertent household error, administrative error, and intentional program violation.

An explanation of each type of claim follows:

Inadvertent Household Error
An overpayment caused by a misunderstanding or an error on the part of the household. An inadvertent household error that results in an overpayment includes, but is not limited to, situations where:

- The household unintentionally failed to provide the county office with correct information;
- The household unintentionally failed to report to the county office changes in household circumstances; or
- The household unintentionally received an over issuance of SNAP benefits due to a continuation of benefits pending an administrative hearing decision.

Administrative Error
An overpayment caused by the agency or by the agency's failure to take action. An administrative error results in an overpayment when:

- The county office failed to take timely action on a change reported by the household;
- The agency incorrectly computed household income or deductions or otherwise assigned an incorrect benefit amount;
- A household was overpaid SNAP benefits due to a worker or system error;
- The household continued to receive SNAP benefits after the certification period expired without a reapplication determination; or
- The county office failed to reduce a household's SNAP benefits after the TEA (AFDC prior to 7-1-97) grant increased.

An overpayment will not be prepared when the county office failed to insure that the household signed the application form.

Intentional Program Violation (IPV)
An overpayment caused by an individual household member when the member intentionally:

- Made false or misleading statements (for example, the household falsified statements on the application);

15110 Types of Overpayments

- Misrepresented, concealed or withheld facts (for example, the household did not report a change in a timely manner although the household was aware of the reporting requirements); or
- Violated the Food and Nutrition Act of 2008, the Federal Regulations, or State Statutes relating to the Supplemental Nutrition Assistance Program. (See SNAP 16600 for a full explanation of an Intentional Program Violation.)

An IPV and the individual guilty of the IPV must be determined through:

- An Administrative Disqualification Hearing;
- A Court of Law with appropriate jurisdiction; or
- The accused individual signing a *Waiver of the Disqualification Hearing* (DCO-257).

Until one of the above actions occurs, suspected IPVs will be handled as inadvertent household errors.

The individual found guilty of committing the violation will be disqualified from participating in the Supplemental Nutrition Assistance Program. The period of disqualification depends on the sanction in effect at the time the violation began.

For any violation that began prior to March 1979, no disqualification will be imposed. For any violation that began during the period from March 1979 to September 1983, the disqualification will be three months. (*A three-month disqualification will be applied regardless of the number of offenses.*) For any violation that began during the period from October 1983 to September 1996, the disqualification will be six months for the first offense, twelve months for the second offense, and permanent for the third offense. For any violation that began during the period beginning October 1996 and continuing to the present, the disqualification will be one year for the first offense, two years for the second offense, and permanent for the third offense. See SNAP 15531 for additional instructions.

15200 When to Prepare an Overpayment

SNAP Manual 03/01/02

All adult household members will be jointly and severally liable for the value of any over issuance of SNAP benefits to the household.

Overpayment claim may be established against:

- Any household currently participating in the Supplemental Nutrition Assistance Program that has received more SNAP benefits than the household was entitled to receive; or
- Any household containing an adult member who was an adult member of another household when that household received more SNAP benefits than the household was entitled to receive.
- Any household involved with the trafficking* of Snap benefits.
- A sponsor of an alien household who was at fault for the alien receiving more benefits than the alien was entitled to receive.

* Trafficking means the buying or selling of SNAP or electronic benefits transfer (EBT) cards for cash or for consideration other than eligible foods; or the exchange of firearms, ammunition, explosives or controlled substances for SNAP benefits. Suspected instances of trafficking will be referred to the Fraud Unit via a *Suspected Fraud Report* (DHS-1700) within 10 days of the date the trafficking incident became known to a DHS county office worker.

No overpayment claim is prepared if:

- The county office failed to insure that the household signed the application form.
- The claim is classified as an administrative error and more than 12 months have elapsed between the month the overpayment occurred and the caseworker discovered an overpayment might exist.
- The claim amount is $125 or less and the household is not currently participating in the Supplemental Nutrition Assistance Program **UNLESS** the overpayment was discovered in a Quality Assurance review. Overpayments discovered in a Quality Assurance review must always be established.

When a claim is submitted in any category other than an administrative error, the overpayment must be calculated back to the month the overpayment began **EXCEPT THAT**:

- No claim will be prepared for overpayments that occurred more than six years before the agency became aware of the overpayment.

- No claim will be prepared for any months in excess of three years from the month the agency discovered a possible overpayment if the county office has purged its files and has no record of issuance for those months.
- No claim will be prepared for any months in excess of three years from the month the worker discovered a possible overpayment if the household's circumstances for that month cannot be established because an employer or other source of verification has purged the records for the month of possible overpayment.

15210 Who Will Prepare the Overpayment

SNAP Manual 07/01/02

The county office worker will prepare the *Benefit Overpayment Report* (DHS-199) on all overpayments classified as administrative errors regardless of the amount of the overpayment. This includes overpayments where:

- The county office failed to take timely action on a change reported by the household.
- The agency incorrectly computed household income or deductions or otherwise calculated an incorrect benefit amount.
- The household was overpaid due to a worker or system error.
- The household did not complete the recertification process but continued to receive SNAP benefits after the certification period expired.

The county office failed to reduce a household's SNAP benefit amount after a household member's TEA cash assistance increased.

- The county office worker will prepare the Benefit Overpayment Report (DHS-199) on an overpayment classified as an inadvertent household error if:
- The overpayment occurred when a household requested continuation of benefits and the hearing decision was in favor of the agency's action.
- The overpayment amount is $125 or less.

If an IPV is suspected and the total overpayment is estimated to be more than $125, the worker will submit a *Suspected Fraud Report* (DHS-1700) to the Fraud Unit. If the case is accepted, the Fraud Unit will conduct an investigation, obtain the needed verification and prepare the overpayment documents.

If the case is not accepted for investigation, the county will be notified so a county office worker can be complete a DHS-199.

15300 Timely Submission of an Overpayment

SNAP Manual 03/01/02

An overpayment claim must be submitted to the Overpayment Unit within 60 days of the date of discovery. The date of discovery is the date that the county office worker establishes through documentary evidence that an overpayment exists.

A Suspected Fraud Report (DHS-1700) must be submitted to the Fraud Unit within 10 days of the date the worker becomes aware that an overpayment that is a suspected intentional program violation may exist.

15400 Preparing the Overpayment

SNAP Manual 10/01/03

NOTE: When a DHS County office becomes aware of an overpayment as the result of a Quality Assurance (QA) review, the household must follow the procedures in this section of policy. A QA reviewer will determine only the amount of overpayment for the review month. Also, the verification provided to QA by an agency or an employer may not cover the entire overpayment period.

The following actions will be completed to determine the total amount of the overpayment:

Step 1: Determine the Initial Month of Over issuance

The initial month of over issuance is the first month in the overpayment period. If the over issuance resulted from the household giving incorrect or incomplete information at the time of application (initial or recertification), the initial month of over issuance is the first month of the certification period assigned at application approval.

EXAMPLE: A household submitted an application on September 12. The husband's earnings were reported on the application, but the wife's earnings were not reported. The application was approved on October 21 based only on the husband's earnings. Retroactive prorated benefits were authorized for September. At the time of the wage match for the quarter ending September, it was discovered that the wife was employed at the time the application was submitted and had been working for several months. The initial month of over issuance will be September.

15400 Preparing the Overpayment

15210 Who Will Prepare the Overpayment

For Occasional Reporters, as defined in SNAP 11350, if the household fails to timely report one of the changes specified in SNAP 11200, the initial month of over issuance will be established by determining the effective date of the change and adding 20 days. For example, if the effective date of change is established as June 6th, the caseworker will begin with June 7th and count 20 days. The 20th day falls before the end of June (June 26th) so the initial month of over issuance is July. (No overpayment will be prepared if the over issuance resulted from a change other than those listed in SNAP 11200.) If there is more than one unreported change during the overpayment period, the effective date of each change will be established in the same manner.

The effective date of the change is defined as the day upon which an identifiable change actually occurred. Some examples of the effective day of change are given below.

Situation	Effective Date
Went to work	First day of employment.
Change in household composition	Date member actually entered or left household.
Received entitlement check	Date 1st check issued to household as verified by issuing agency.
Received unemployment	Date first check issued to household as verified by WESD screen.

EXAMPLE: A household failed to report that the wife went to work in September until the household's recertification interview in December. The caseworker established that the wife's first day of employment was September 11. The 20th day is October 1. The initial month of overissuance will be November.

For Limited Reporters as defined in SNAP 11340, the two changes that limited reporting households are required to report must be reported within 10 days of the end of the calendar month in which the change occurred. If the limited reporting household is subject to semi-annual reporting, all other changes must be reported on the semi-annual report. For changes that limited reporting households are required to report independent of the semi-annual report, the initial month of overissuance will be the second month following the calendar month in which the change occurred. For changes that limited reporting households are required to report on the semi-annual report, the initial month of the overissuance will be the

first month following the submission of the semi-annual report on which the change should have been reported.

Step 2: Exclude Any Months More Than 72 Months (*or 12 months for administrative errors*) Prior to the Month in Which the Over issuance was Discovered

Step 3: Determine the Household's Correct SNAP Benefit Amount for Each Month of the Overpayment Period

The household's correct benefit amount will be calculated using the household's exact income, resources, expenses, household composition, etc. for each month in the overpayment period. It may be necessary to calculate a different budget for each month in the overpayment period in order to capture variation in circumstances. Weekly and bi-weekly income and/or expenses will not be converted when a budget is calculated. See SNAP 7512-7740 for instructions on preparing a budget.

If verification of the monthly income is not available, the best source of information may be used to prepare the overpayment. For example, the quarterly wages appearing on the wage match may be used to prepare an overpayment if the individual's employment is verified, but verification of monthly wages cannot be obtained. Documentation of all verification obtained must appear in the case record. If actual monthly income cannot be established, documentation of all attempts to obtain verification of the actual monthly income must appear.

The standards (e.g. - utility standard, standard deduction, earned income deduction) and issuance charts in effect during the overpayment period must be used to prepare the overpayment. If a standard changed during the overpayment period, the overpayment budgets must reflect this change. The tapes or forms used to prepare the overpayment budgets must be clearly labeled and must remain in the case record as documentation.

Step 4: If Necessary, Complete a Second Series of Budgets with no Earned Income Deduction…

…allowed on any earned income that a household failed to report timely. The overpayment budget will be prepared in the same manner as any other budget except that the earned income deduction will not be allowed for that portion of the earned income which the household failed to report.

EXAMPLE: A household reported the husband's income but failed to report the wife's income. The earned income deduction will be allowed for the husband's earnings but not for the wife's.

The earned income disallowance will be effective for any months in the overpayment period when the county was not aware of the earnings. For example, a county becomes aware of a household's earned income in July but does not adjust the case to include the earnings until December. The earned income disallowance will cease in July. The earned income deduction will be allowed when the overpayment budgets for the months August through December are prepared.

Step 5: Complete a DHS-199, Benefit Overpayment Report.

NOTE: Should the household become entitled to restored benefits while the overpayment is being prepared, the amount to be restored will be offset. See SNAP 13320 for instructions.

Step 6: Enter the Overpayment in the Overpayment Record in the County Office

Any record must contain the following information.

- Name
- Case Number
- Date overpayment was discovered
- Month, day and year overpayment started
- Date referred to the Overpayment Unit
- Suspected claim type

Other information may be added if desired by the county office. Records may be manual or maintained on a personal computer (PC) based system.

15401 Households Participating In Workfare

SNAP Manual 07/01/00

When an overpayment occurs on a case in which a member participated in workfare during the overpayment period, the worker must determine if the household is entitled to an offset on the overpayment. See SNAP 15402.

15402 Households That Remain Workfare Eligible

SNAP Manual 07/01/00

If a household was overissued benefits while participating in workfare and remains eligible for participation in workfare, the county office worker must take the following steps:

Step 1: Establish a claim for the entire amount of over issuance.

Step 2: Give credit to the household for all extra hours of work performed during month of over issuance. Apply these hours to future work obligations.

Step 3: Determine the number of hours a participant has actually worked by contacting the workfare sponsor.

Step 4: Notify the workfare sponsor via DCO-209 of the household's entitlement.

Step 5: Complete a DHS-199, Benefit Over issuance Report.

If the household did not remain workfare eligible, see SNAP 15403.

15403 Households That Do Not Remain Workfare Eligible

SNAP Manual 07/01/00

If a household was participating in Workfare at the time of the overissue but is not longer participating in workfare, a different procedure will be used. This procedure is outlined below.

Step 1: Determine the household's correct SNAP benefit amount for each month of the overpayment period. Use SNAP 15400. Enter the corrected benefit amount on the DHS-199.

Step 2: Determine the household's correct obligation by dividing the household's correct monthly benefit amount by the current federal minimum wage. For workfare households, see SNAP 3730 for the maximum obligation.

Step 3: Determine the number of hours actually participated. The workfare sponsor must furnish this information.

Step 4: Subtract the household's corrected obligation from the number of hours the household actually worked if additional hours were worked due to the overissuances. The result will be the extra hours worked.

Step 5: Determine the offset amount by multiplying the extra hours worked by the current federal minimum wage. Enter the offset amount.

When cases are referred in a non-fraud status, the offset will be allowed when the total overpayment amount is entered. When the case is referred in a pending-fraud determination status, the offset must appear on the form but will not be reflected in the overpayment. The offset amount will be used by the Overpayments Unit to adjust the overpayment if there is no finding of an intentional program violation through a court of law or an administrative disqualification hearing.

15404 Overpayments on Categorically Eligible Households

SNAP Manual 03/01/02

Before 12-01-99, the definition of a categorically eligible household was: A household where every household member received either TEA (AFDC) or SSI benefits.

Beginning 12-01-99, the definition of a categorically eligible household is: A household where at least one member receives one of the TEA benefits specified in SNAP 1920 **OR** a household where every member receives SSI benefits.

Categorical eligibility cannot be rescinded retroactively. This means that a household's status as a categorically eligible SNAP household will not be changed after the fact even if AFDC (TEA) or SSI eligibility is subsequently determined improper.

No overpayment will be prepared when excess household resources caused the household to be subsequently found ineligible for AFDC (TEA) or SSI benefits. However, an overpayment will be prepared if the AFDC (TEA) or SSI eligibility was improper due to unreported income or changes in household size and an over issuance of SNAP benefits occurred.

For example, a SNAP household is made up of a TEA recipient and her children, all of whom are included in the TEA grant. She goes to work but does not report this income. To determine the SNAP overpayment, the worker will include both the TEA grant received by the household and the unreported earned income.

In some cases, the additional income will result in a zero-benefit amount even though the household was categorically eligible. In these instances, the overpayment amount will equal the entire benefit issued to the household.

NOTE: In the case of one- and two-person households, the minimum benefit rules will apply (see SNAP 8630).

When a household is receiving SNAP benefits only because the household is categorically eligible and the county discovers an unreported household member who was not a SSI recipient, an overpayment may be prepared if an over issuance occurred as a result. The over issuance amount will be the difference between the SNAP benefits the household received and the benefits the household would have received if the additional household member been properly included in the SNAP budget.

15430 Review and Submission of the Overpayment Report

SNAP Manual 03/01/02

The ES Supervisor or a designee must review the Benefit Overpayment Report (DHS-199) for accuracy. If the overpayment is valid, the supervisor or designee will sign the DHS-199 and send it to the Overpayment Unit.

If an intentional program violation is suspected and the overpayment amount is $125 or more, only the DHS-1700 will be submitted to the Overpayment Unit. If the Fraud Unit does not find sufficient evidence to establish an IPV but does find that an overpayment exists, the Fraud Unit may complete the claim document and submit it to the Overpayment Unit or send the information to the county so the county can complete the DHS-199.

The county will complete and submit a *Report of Restored Benefits* (DCO-201) if the overpayment is used to offset restored benefits owed to the household. (*The DCO-201 is a low use form and is not available through the warehouse. This form may be accessed through DHS SHARE.*) Copies of the DHS-199 and (if applicable) the DHS-1700 and/or DCO-201 will be retained and filed in the Overpayment Section of the case record.

All claim documents must be retained for three years from the date of fiscal or administrative closure (see SNAP 410).

15500 Overpayment Unit Responsibilities

SNAP Manual 03/01/02

The Overpayment Unit has the following responsibilities:

1. Reviewing the *Benefit Overpayment Report* (DHS-199) to determine if the information needed to substantiate an overpayment claim is contained in the documents.
2. Documenting the circumstances that resulted in the overpayment and the procedures and methods used to calculate the overpayment.
3. Requesting additional information if needed to substantiate the overpayment claim.
4. Activating the account in ROAS.
5. Sending a D*emand Letter and Repayment Notice*.
6. Monitoring claim payments and attempting to collect payments that are in arrears.

Within 120 days of the date of receipt of an overpayment claim, the Overpayments Unit will have entered all substantiated overpayment claims into the automated *Recipient Overpayment Accounting System* (ROAS) as an active account.

15501 Recipient Overpayment Accounting System (ROAS)

SNAP Manual 07/01/00

The ROAS is the automated accounts receivable system. This system contains data about each *Benefit Overpayment Report* (DHS-199) received in the Overpayment Unit and each valid claim processed for collection activity. The ROAS is indexed by debtor Social Security Number (SSN). Each SSN represents a specific account. Each account is sub-divided into a specific category by the agency program in which an overpayment has occurred. Each category is sub-divided by a specific claim number for each separate overpayment that has been established against the debtor represented by the SSN. All identifying information specific to the debtor account is entered into and contained in the ROAS.

An overpayment report becomes a valid overpayment claim only after verification has been completed and the claim has been entered into the ROAS as an active account. Overpayment claims processed by the Overpayment Unit without evidence of fraud are considered “civil” claims.

15510 Accounting Section Responsibilities

SNAP Manual 03/01/02

The Accounting Section receives, processes, and records all payments and maintains ROAS. The Accounting Section documents and maintains records on the amount of money and SNAP benefits collected in payment of an overpayment and how much was submitted to Food and Nutrition Service. At the end of each month, the Overpayment Unit receives a printout of all transactions occurring during that month.

15520 Processing the Overpayment Claim

SNAP Manual 07/01/00

The Overpayment Unit reviews the *Benefit Overpayment Report* (DHS-199) to determine if all the information necessary to process an overpayment claim is contained in the documents. If the claim report is accurate and all information and calculations are correct, the Overpayment Unit substantiates the claim by:

1. Activating the account in the ROAS.
2. Sending a *Demand Letter and Repayment Notice* to the debtor with a copy to the initiating DHS county office.

If additional information is required to complete the overpayment claim, the initiating county office will be requested to provide the additional necessary information within 30 days. If the requested information is not received within 30 days, a second request will be submitted to the initiating county office.

If the requested information is not received from the initiating county office, the claim will be reviewed to determine if there is sufficient information available to establish any portion of the overpayment and one of the following actions will be taken:

- If sufficient information is available, a claim will be processed for the period and amount that can be substantiated with the available information. The initiating county office will be notified that a partial claim has been established and advised that the claim will be adjusted if the requested information is received in Overpayment Unit at a later date.

  OR
- If the information is insufficient to verify and establish an overpayment claim for any time period or amount, the claim report will be administratively closed. The initiating county office will be notified and advised that if the requested information is received in the Overpayment Unit, the claim will be re-opened andprocessed.

15530 Collections

SNAP Manual 03/01/02

The Overpayment Unit is responsible for the collection of the overpayment. Overpayments may be repaid through:

1. Cash payment.
2. Offset of EBT SNAP benefits.
3. Reduction of the household's SNAP benefits prior to issuance (recoupment).
4. Offset of state income tax refunds, federal income tax refunds, federal salaries due federal employees owing delinquent SNAP debts, and other monies payable by the federal government to individuals owing a delinquent SNAP debt.

15531 Initiating Collection

SNAP Manual 07/01/00

Collection action will be initiated by sending a *Demand Letter* and *Repayment Notice* to the household (claim debtor). The *Demand Letter* will inform the household about the overpayment, the amount, time period, the reason it occurred, and the household's right to an administrative hearing and how to request one. The *Repayment Notice* will inform the household how the overpayment is to be repaid.

The Overpayment Unit will initiate collection action against the individual identified as the casehead on the DHS-199. However, every adult who was a member of the household during the overpayment period has liability for the debt. Therefore, if a change in household membership occurs, the Overpayment Unit may pursue collection action against any household with a member who was an adult member of the household that received the over issuance. The county office may offset restored benefits by the amount of the overpayment when restored benefits are owed to any household containing a member who was an adult member of the household that received the overissuance. See SNAP 13320 for instructions on offsetting claims. Under no circumstances may the Overpayment Unit collect more than the amount of the claim.

Recoupment of SNAP benefits will be initiated if a household with a liable member is currently certified to receive SNAP benefits. If no such household is currently receiving SNAP benefits, the case head or other liable adult must make direct payments to the Agency unless he or she can repay the debt in full.

The county office must send a copy of the authorizing document to the Overpayment Unit when the case head changes on a case with an overpayment.

15532 Payment Schedule

SNAP Manual 02/01/00

There are two different payment schedules. They are:

1. A payment schedule for recoupment of SNAP benefits (see SNAP 15700);or
2. A payment schedule for direct payment in the form of cash, check, or money order.

The payment schedule for direct payments, which is based upon the amount of the overpayment, appears below:

Overpayment Amount	Monthly Payment Amount
$ 1.00 to 100.00	$10.00
101.00 to 300.00	$15.00
301.00 to 500.00	$20.00
501.00 to 800.00	$25.00
801.00 to 1,000.00	$30.00
$1,001.00 to 1,500.00	$35.00
1,501.00 to 2,000.00	$40.00
2,001.00 to 2,500.00	$45.00
2,501.00 and above	$50.00

The payment schedule will remain in effect until changed by the Overpayment Unit. The household may contact the Overpayment Unit and request a change in the repayment schedule at any time. If the Overpayment Unit determines there is sufficient reason or that there is a legitimate financial hardship for the household, the repayment schedule may be changed.

15533 Households That Fail to Cooperate with Overpayment Unit

SNAP Manual 03/01/02

If a household fails to repay the overpayment debt or fails to make monthly payments as required in the repayment schedule, the Overpayment Unit will mail a *Delinquency Notice* to the household requesting payment. Debts that become 180 days delinquent will be referred to the Collections Unit, and the Collections Unit will contact the household regarding the delinquent account and will review the debt for legal action. Delinquent debts will be pursued through lawsuits, judgments, and/or garnishment of wages when necessary.

Delinquent SNAP debts will be referred to the Department of Finance and Administration, Revenue Division for the purpose of intercepting the state income tax refund due to the household containing the debtor and applying the amount intercepted to the balance of the debt. Delinquent accounts will also be referred to the U.S. Treasury for the purpose of intercepting any monies payable by the federal government. Any federal monies intercepted will be applied to the overpayment debt.

The Fraud Unit monitors collections on court adjudicated cases.

15534 Terminating Collection Action

SNAP Manual 07/01/00

If an overpayment claim is determined to be uncollectable, collection activity will be suspended and the claim will be processed for abatement in accordance with Arkansas Law. Abated claims will be held for three years before they are scheduled for destruction. During this period a claim may be offset by SNAP benefits in accordance with SNAP policy.

15535 Suspending Collection Action

SNAP Manual 03/01/02

Efforts to collect an overpayment may be suspended under any of the following circumstances:

- All household members die.
- The claim balance is less than $5.00 or the combined amount of all open claims is less than $20.00 **and** the claim or claims have been delinquent for 90 days or more **and** the debtor is not currently receiving SNAP benefits.
- The claim has been delinquent at least 3 years **and** 1) there has been no payment activity (including state intercept and treasury offset) for 5 years **and** 2) the claim cannot be pursued through legal action because the claim balance is less than $500 **and** 3) there are no resources to pursue.
- The household cannot be located.
- It is not cost effective to pursue the debt.
- The household/debtor has filed for bankruptcy and the bankruptcy court has discharged the debt unless there are other responsible household members who did not file for bankruptcy protection or the client has signed a criminal fraud waiver admitting guilt.
- The claim debt has been overturned by an administrative hearing decision or by court action.

15535 Suspending Collection Action

Claims suspended for three years will be reviewed to determine if they can be collected. If the claim is determined to be uncollectable, it will be processed for abatement.

15600 Suspected IPV Overpayments

SNAP Manual 07/01/00

Until an IPV has been determined through one of the procedures specified in SNAP 16700, the overpayment will be handled as an inadvertent household error. If an administrative disqualification hearing is declined by the Appeals and Hearings Section or if the individual is found innocent of the charge through the hearing, the overpayment is handled as an inadvertent household error. This is also true if a court of law finds the individual innocent of an IPV.

15620 Initial Actions – The Fraud Unit

SNAP Manual 03/01/02

A DHS-1700 will be sent to the Fraud Unit when SNAP overpayment appears to be in excess of $125 and is classified as a non-fraud pending fraud determination. Administrative errors will not be referred to the Fraud Unit. Overpayments that occur when a household requested an administrative hearing and continuation of benefits will not be referred to the Fraud Unit. No overpayment, regardless of classification, will be referred to the Fraud Unit if the total overpayment is $125 or less. In these situations, the county must prepare the *Benefit Overpayment Report* (DHS-199) and submit it to the Overpayment Unit.

The Fraud Unit makes any necessary investigation. If an overpayment is discovered and the overpayment appears to be classified as an intentional program violation, the Fraud Unit will prepare the overpayments documents and determine whether the case is to be referred for prosecution. The Overpayment Unit will be provided with a list of the cases referred for prosecution.

Unless the household signs a *Waiver of Hearing and Consent to Disqualification*, the Fraud Unit will return overpayments not referred for prosecution to the Overpayments Unit for a referral to the Appeals and Hearings Section for an administrative disqualification hearing. The purpose of the hearing is to determine if the overpayment should be classified as an IPV. The Overpayments Unit immediately begins collection on all cases returned by the Fraud Unit when the Fraud Unit has prepared the overpayment documents.

The cases referred for prosecution are handled as specified below.

1. Recommended for Prosecution
   When the Fraud Unit recommends a case for prosecution, the overpayment will remain with the Fraud Unit. A memorandum will be sent to the Overpayment Unit (copy to the

county) indicating the action being taken on the case. The Overpayment Unit will take no further action until final disposition of the case. Upon completion of prosecution, the overpayment will be returned to the Overpayment Unit with a memorandum (copy to the county) indicating the decision of the court.

2. Declined Prosecution
   If the Fraud Unit recommends a case for prosecution but the Prosecuting Attorney declines prosecution, or if the Fraud Unit determines that the waiting time for a court hearing is prohibitive, the overpayment will be returned to the Overpayment Unit. Upon receipt of a case upon which prosecution was declined, the Overpayment Unit will review the overpayment to determine if there is sufficient evidence to request a disqualification hearing. If so, the case will be sent to the Appeals and Hearings Unit within thirty days of the date the case is returned to the Overpayment Unit.

15630 Collection Action on Intentional Program Violation Cases

SNAP Manual 01/01/07

The Fraud Unit will be responsible for collection action on court adjudicated cases.

Overpayments to be established as intentional program violations (IPV) by an administrative disqualification hearing or by the signing of a *Waiver of the Administrative Disqualification Hearing* (DHS-257) will be returned to the Overpayment Unit. The Overpayment Unit will prepare a DHS-11 notifying the Accounting Section that the claim has been changed to IPV status.

The Overpayment Unit will monitor repayment of the claim until it is paid in full, suspended, or the payments cease. If the household fails to repay the amount due, the Overpayment Unit will identify the claim as a delinquent account and take action to recover the full amount due.

15700 Recoupment

SNAP Manual 07/01/00

A household's SNAP benefit amount may be reduced prior to issuance to recover an overpayment. Such action is called "recoupment". A SNAP recoupment can only be applied to a SNAP overpayment.

Recoupment will be initiated against each new overpayment claim processed by the Overpayment Unit if an adult member of the household, against which the claim was established, is currently certified for SNAP benefits. Recoupment will be initiated against the household in which the individual, in whose name the overpayment was reported and established, is included as a household member.

Inadvertent household and administrative (agency) error claims will be recouped at the rate of ten percent (10%) of the household's monthly benefit amount or ten dollars ($10.00) whichever is greater. Intentional program violation (IPV) claims will be recouped at the rate of twenty percent (20%) of the household's monthly benefit amount or ten dollars ($20.00) whichever is greater

One and two person households may not receive the minimum benefit amount of $10.00 specified in SNAP 8630 after recoupment is initiated.

15800 Accepting Payment on an Overpayment

SNAP Manual 01/01/07

The DHS county office may accept cash, money orders or cashier's checks as full or partial payment of an overpayment. Funds accepted in payment of an overpayment must be forwarded to the Overpayments Unit. All accepted payments must be documented on a *Receipt for SNAP Benefits or Money* (DCO-273). See the *DHS Administrative Procedures Manual*, chapter 201, for additional information.

With a household's written permission, benefits may be withdrawn by the Overpayments Unit from the household's SNAP electronic benefit transfer (EBT) account as partial or full payment of an overpayment. The household must authorize withdrawals from an EBT account on a DCO-273.

For up to 12 months from the date of availability, the household may access their EBT benefits. After 12 months, the EBT benefits are expunged from the account and may no longer be restored to the household. However, expunged benefits may be applied to any overpayment. The county office worker must contact the Overpayment Unit if he or she becomes aware that SNAP benefits have been expunged from the EBT account of a household with a SNAP overpayment. There are no time limits on the use of expunged benefits to repay an overpayment. The Overpayment Unit, the Fraud Unit and/or the household may also initiate requests for expunged benefits to be applied to an overpayment.

NOTE: Prior to November 2003, EBT benefits were "aged" after three months. Households could not access their "aged" benefits unless they were restored to the EBT account by the DHS county office. The procedures used to apply expunged EBT benefits to overpayments may also be used if the household wishes to apply "aged" EBT benefits to an overpayment.

The following procedure will be used to properly credit the expunged benefits to the household's overpayment:

Step 1: Either Overpayment Unit or the Fraud Unit may contact the EBT Unit to request verification of the existence of expunged benefits and the amount available.

Step 2: If expunged benefits are available, a *Receipt for SNAP Benefits or Money* (DCO-273) must be completed and signed by the household and sent to the Overpayments Unit. A DHS county office worker, an Overpayment Unit Worker, or a Fraud Unit Worker may initiate the completion of a DCO-273. When expunged benefits are to

be applied to an overpayment, Part III of the DCO-273 must be completed to give the Overpayment Unit permission to apply the EBT benefits to the household's overpayment. A copy of the completed DCO-273 must be supplied to the household, and a copy must be filed in the case record.

Step 3: The Overpayment Unit will contact an ANSWER Support Unit worker by e-mail and request that the expunged benefits be restored to the household's EBT account so that the Overpayment Unit can collect the benefits and apply them to the household's overpayment. The SNAP Accounting Unit and the DHS county office (ES Supervisor) must receive a copy of the e-mail. The DHS county office must file a copy of the e-mail in the household's case record.

Step 4: The ANSWER Support Unit worker will authorize a restoration (code 614 - other) for the amount of the expunged benefits that will be applied to the overpayment. The amount restored must not exceed the total expunged benefits on the household's EBT account. A copy of the authorizing screen will be provided to the Manager of the SNAP Overpayment Unit and the SNAP Accounting Unit via e-mail.

Step 5: The Overpayments Unit will track the issuance of the restoration on the WFTD screen. If the household is not currently participating in the Supplemental Nutrition Assistance Program, the household will not be notified of the existence of the restored benefits. If the household is currently receiving SNAP benefits, the Overpayment Unit will advise the household of the day on which the expunged benefits are to become available. The household will be asked not to access their EBT account until 12:00 noon on that date so that the EBT benefits can be properly credited to their overpayment.

Step 6: The Overpayments Unit will notify the household, the DHS county office (ES Supervisor), the SNAP Accounting Unit and, if applicable, the Fraud Unit when the expunged benefits have been applied to the household's overpayment. A copy of the e-mail notification to the DHS county office must be filed in the household's case record.

15810 Preventing an Overpayment

SNAP Manual 01/01/07

When too many SNAP benefits are authorized due to a county office error or a computer error, the benefits may be cancelled if the error is discovered prior to the date that benefits are made available to the household. The county office must contact the Supplemental Nutrition Assistance Program Section to request cancellation of SNAP benefits. See SNAP 14350 for full instructions. The county office worker will be responsible for issuing a corrected approval notice to the household. Client caused overpayments will not be canceled. An advance notice of adverse action must be issued to the household when the case is corrected.

When an overpayment, either client-caused or agency caused, is discovered after the availability date, an overpayment must be prepared. The household is permitted to return benefits from the electronic benefits transfer (EBT) account to repay such overpayments. See SNAP 15800 for instructions.

15900 State Income Tax Refund Interception

SNAP Manual 01/01/07

Act 372 of 1983 as amended (Ark. Stats. Ann. S 84-4901 thru 84-4918), Act 987 of 1985, and Act 1154 of 1991 authorize the collection of debts owed to the State through the offset of the casehead/debtor's state income tax refund. The amount offset will be applied to the balance of the debt owed to the State.

Delinquent SNAP overpayment debts will be submitted to the Department of Finance and Administration, Revenue Division if the debt balance is $20.00 or more. If the casehead/debtor has more than one overpayment debt, the total of all valid debts will be submitted for offset.

Individuals, whose debts are being submitted for tax offset, will be notified by mail of the intended action and given an opportunity to repay the debt or to request a hearing.

All offset activity will be governed by the provision established and required by Arkansas law in the above referenced acts and DHS state tax refund policy.

15930 Treasury Offset Program

SNAP Manual 01/01/07

The Debt Collection Act of 1982 and the Debt Collection Improvement Act (DCIA) of 1996 authorizes the Department of the Treasury to be the primary Federal collection agent for the collection of delinquent SNAP debts. As such, the Department of the Treasury now has the responsibility for operating the Federal Tax Refund Offset Program (FTROP), the Federal Salary Offset Program (FSOP), and the Program for Administrative Offset. The certification of a delinquent debt for any of the three actions will be made through the Treasury Offset Program (TOP).

Federal Tax Refund Offset is the reduction (offset) of a delinquent SNAP debtor's federal income tax refund by the amount of the delinquent SNAP debt and applying such amount reduced (offset) against the delinquent SNAP debt.

Federal Salary Offset is the reduction in salary of a federal employee who owes, and is delinquent in repayment of, a SNAP overpayment debt and crediting such amount to the delinquent debt.

Administrative Offset is the withholding of funds payable by the federal government to an individual owing a delinquent SNAP debt and crediting such funds withheld to the delinquent

debt. This process is called the Treasury Offset Program or TOP. The Arkansas Department of Health & Human Services has signed a letter of agreement with USDA, Food and Nutrition Service (FNS), to participate in TOP. The Accounts Receivable Overpayment Unit of the Division of Fiscal Management certifies delinquent debts to FNS so that monies owed by SNAP debtors may be offset through TOP.

15940 Debts Referred for TOP Offset

SNAP Manual 01/01/07

All SNAP overpayments debts that meet the criteria established by Federal Law will be sent to USDA, Food and Nutrition Service, (FNS), to be forwarded to the Department of Treasury. The Department of Treasury will apply the offset and apply the recovered funds to the SNAP overpayment account.

SNAP overpayment debts will be referred to the Treasury Offset Program (TOP) if they met the following criteria:

1. The debt must be legally established and legally enforceable as substantiated by the DHS Overpayment Unit. To meet this requirement, the debtor must have been notified of:
    - The debt amount
    - The reason the debtoccurred
    - The time period of the debt
    - The procedures for repaying the debt
    - The right to request an administrative hearing to dispute the debt
2. The debt must be at least 180 days delinquent. This means that the overpayment debt is in arrears in an amount equal to or greater than the amount of six-monthly payments as established in the initial repayment notice or a subsequent repayment agreement.
3. The total balance for all delinquent debts must be at least$25.00.
4. The debt must be less than or equal to 10 years delinquent unless the household files for an administrative hearing or renegotiates a payment agreement. When the hearing decision is in favor of the agency or the new payment agreement becomes effective the delinquency date is altered. When debts are established by a judgment in a court of law, the 10-year limit is removed.
5. The debt must not be included under an automatic stay due to bankruptcy.
6. The debt must not be currently under litigation to establish its validity.

15950 60 Day Advance Notice

SNAP Manual 07/01/00

The Overpayment Unit will notify the debtor of its intent to refer a claim for intercept through TOP. The notice will give the debtor 60 days to present evidence that all or part of the claim is not past due or legally enforceable.

The 60 day notice must state:

1. The debtor's social security number.
2. The amount of the claim.
3. That the debtor has previously been notified of the claim and prior collection efforts have been made.
4. That the debt is past due and legally enforceable.
5. That unless the claim is paid within 60 days of the date of the letter or other repayment arrangements acceptable to the Overpayment Unit are made, the claim will be referred for intercept.

The notice must also provide:

- The instructions for paying the claim.
- The specifics of the appeal process as described in SNAP15960.
- The name, address and telephone number of an individual in the Overpayment Unit who can discuss the claim and the intended intercept with the debtor and who can assist the debtor in filing an appeal.

15960 Review Rights

SNAP Manual 07/01/00

As one of the conditions for referring a claim for offset, any evidence presented by a debtor making a timely request for a review must be considered and a determination made as to whether the debt is past due and legally enforceable.

In order to request a review, the debtor must provide evidence or documentation to the Overpayment Unit that the claim is not past due or is not legally enforceable within 60 days of the date of the 60 day notice. The Overpayment Unit will provide this information to the Appeals and Hearings Office where the review will be conducted. A request for review is not considered received until the individual provides such evidence or documentation. The debtor's social security number must be included with the request. A claim will not be submitted for intercept if a timely request for review has been filed and is pending.

After the Appeals and Hearings Office has reviewed the submitted evidence and documentation and rendered a decision, the debtor must be notified of the decision in writing. The notice must specify whether or not the debt is past due and legally enforceable.

If the determination is made that the claim meets the requirements for certification, the debtor must be notified that the Overpayment Unit intends to refer the claim for offset. The debtor must be advised that he or she is entitled to appeal that decision to Food and Nutrition Service within 30 days of receipt of the decision by the Appeals and Hearings Office. The notice must contain the address of Food and Nutrition Service. The debtor must be advised to include his/her social security number on the appeal.

If the determination is made that the claim is not appropriate for offset, the debtor must be notified in writing and any appropriate corrective action taken under SNAP claim rules.

15970 Appeals of State Agency Reviews

SNAP Manual 07/01/00

Upon receipt of an appeal of a state agency decision, FNS will request documentation from the Overpayment Unit and will take one of two actions:

1. Time permitting, FNS will complete the review and notify the debtor and the Overpayment Unit.
2. If not, FNS will notify the Overpayment Unit that it has not completed its review and the claim must be deleted from the final files certified to FNS for intercept.

If during its review FNS determines that the debt is past due and legally enforceable, the debtor will be so notified and advised that he or she has the right to appeal this decision through the courts. If FNS determines that the claim is not past due or legally enforceable, the Overpayment Unit must take appropriate corrective action. The Overpayment Unit will be notified of FNS's decision in either event.

16100 Hearings – Summary

SNAP Manual 12/01/00

Any household adversely affected by an action of the Division of County Operations (DCO) must be provided an opportunity to appeal this action through a hearing process called an administrative hearing. The Office of Appeals and Hearings of the Office of Chief Counsel conducts all administrative hearings and renders decisions based upon state policy and regulations. Administrative hearing policy appears in SNAP 16200-16550.

The Office of Appeals and Hearings also conducts administrative disqualification hearings. An administrative disqualification hearing is one of the procedures used to determine if an individual has committed an intentional Supplemental Nutrition Assistance Program violation. Policy on administrative disqualification hearings appears in SNAP 16600-16920.

16200 Uniform Rules of Procedure

SNAP Manual 12/01/00

The Office of Appeals and Hearings must process each request for an administrative hearing under uniform rules of procedure. The uniform rules of procedures are available in the Office of Appeals and Hearings for public inspection and copying. The uniform rules of procedure include all filing limits for requests and appeals, advance notification requirements, expedited and other hearing timeliness standards, rules of conduct at the hearing, and the rights and responsibilities of individuals who request a hearing.

16300 The Household's Right to Appeal

SNAP Manual 12/01/00

At the time of an initial application interview each household must be advised orally of the following information:

1. The household's right to a hearing,
2. How a household may request a hearing, and
3. That the household may be represented at a hearing by legal counsel, a friend, a relative or any other spokesman. (If there is an individual or organization available that provides free legal representation, the household will be advised of the availability of that service.)

A household may request an administrative hearing to appeal any action the household believes has adversely affected its Supplemental Nutrition Assistance Program participation. A household may appeal when an application for SNAP is denied, when SNAP benefits are decreased, when a SNAP case is closed, when SNAP benefits are believed to be inadequate, or when a request for restored benefits is denied.

Discrimination complaints will be processed as specified in SNAP 700.

16310 Requesting the Hearing

SNAP Manual 12/01/00

A request for a hearing is defined as any clear expression, oral or written, by the household or a representative that the household wishes to appeal a decision or to present its case to a higher authority. The freedom to make such a request must not be hampered in any way. If the household's appeal is unclear, the Office of Appeals and Hearings may request that the household clarify the grievance.

Upon request, DCO must make available, without charge, the specific materials necessary for a household or a representative to determine if a hearing should be requested or to prepare for a hearing. County office personnel will issue an *Appeal for Fair Hearing*, (DHS-1200) to households expressing an interest in an administrative hearing. County office personnel will assist the household to complete the DHS-1200 if such assistance is requested. (The county may document verbal requests for a hearing on a DHS-1200.) A household may also request an administrative hearing by sending a letter to the Office of Appeals and Hearings or by completing the back of a manually issued *Notice of Action* (DCO-1).

The household will be advised of any legal service available to provide the household with representation at the hearing. If the individual making the request cannot speak English and the agency is required to provide bilingual staff or interpreters as specified in SNAP 230, the Office of Appeals and Hearings must insure that the hearing procedures are verbally explained in the household's language.

16320 Designation of a Representative

SNAP Manual 12/01/00

A household may designate in writing a representative to act on the household's behalf during the hearing process. The household must specify in the statement whether the representative is to review the administrative hearing file, to represent the household in the hearing or both. The statement will be filed in the hearing file. (See SNAP 16511 for an explanation of an administrative hearing file.)

Once a household has officially designated a representative, the representative must receive a copy of all information provided to the household by DCO regarding the administrative hearing proceedings.

16330 Time Frames for Requesting a Hearing

SNAP Manual 12/01/00

Administrative hearings must be requested within 90 days of the date of notification of the disputed action or loss of benefits with the following exceptions:

EXCEPTION 1: A household may request a hearing to dispute current level of benefits at any time within the certification period.

EXCEPTION 2: A hearing to dispute denial of a household's request for restored of benefits must be requested within 90 days of the notice of denial. However, the benefits may have been lost up to a year prior to the household's request for restoration. See SNAP 13310.

16400 Denial or Dismissal of Request

SNAP Manual 06/01/01

The Office of Appeals and Hearings will not deny or dismiss a request for a hearing except under the following circumstances:

1. The request was not received within the specified time period. (The DHS county office will handle untimely requests for an administrative hearing as a request for restoration of benefits. See SNAP 13300 for instructions on handling requests for restoration of benefits.)
2. The household or representative withdrew the request inwriting.
3. The household or representative failed, without good cause, to appear at the scheduled hearing. (The Office of Appeals and Hearings will determine good cause.) When the household fails to appear without good cause, the hearing is considered abandoned and the Office of Appeals and Hearings immediately dismisses the request.

The Office of Appeals and Hearings sends a final order stating that the hearing request has been dismissed to the county office. Since households are advised that hearings must be rescheduled in advance, no additional notification is sent to the household. Should the Office of Appeals and Hearings determine that the household had good cause for failure to appear, the county office will be so notified.

16500 The Administrative Hearing Process

SNAP Manual 12/01/00

16510 Beginning the Administrative Hearing Process

SNAP Manual 1/01/89

Requests for an administrative hearing submitted to the county office will be forwarded immediately to the Office of Appeals and Hearings. If the household wants the hearing to be held at a location other than the county office, the Office of Appeals and Hearings should be so notified by the county office.

When a request for a hearing is received, the Office of Appeals and Hearings will send a DHS-1210 to the appropriate county office to request information about whether the appeal request was submitted timely. If the request was timely, the county office must prepare an administrative hearing file (including the county statement) and return it to the Office of Appeals and Hearings. If the appeal was not filed timely, the county office must note this on the DHS-1210. The county office must respond within seven calendar days of receipt of this memorandum.

16511 The Administrative Hearing File

SNAP Manual 12/01/00

If an individual has timely requested an administrative hearing, the county office will prepare an administrative hearing file. This file must be separate and apart from the case record.

A copy of the administrative hearing file must be submitted to the Office of Appeals and Hearings within seven calendar days of the date the DHS-1210 from the Office of Appeals and Hearings was received in the county office.

Information will not be included in the administrative hearing file unless the household will be allowed to review the information. An example of information that must not be included in the file is the name of an informant who wishes to remain anonymous. See SNAP 530 for a full explanation of information in the case record that may not be revealed to the household. Only information that may be included in the administrative hearing file may be presented as evidence at the hearing.

The following information must be included in the administrative hearing file:

1. Notices of Action

The file must include notices sent to the household about the action under appeal. If a notice was system generated, documentation of the date generated and notice type must appear.

2. Documentary Evidence
   The file must include documentary evidence that supports the notice of action upon which the household is basing the appeal. Examples of documentary evidence include, but are not limited to, the application submitted by the household, authorizing documents or narrative, collateral statements, income statements, resource verification, county referral to E&T Program or the Workfare Program, and witness statements.
3. County Statement (DHS-1203)
   The file must include a copy of the county statement. The county statement must state the issue and must contain a summary of all facts and evidence supporting the county office's position. Ambiguous and technical language must be avoided.

Five copies of the DHS-1203 must be prepared. The original will be sent to the plaintiff prior to the date of the hearing. A copy will be sent to the appropriate Area Manager. A copy will be included in the hearing file sent to the Office of Appeals and Hearings. A copy will be included in the hearing file retained in the county office. A copy will be filed in the case record.

The administrative hearing file may be discarded or attached to the household's case record after receipt of the decision. (A copy of the DHS-1203 must be retained in the case record.)

16512 Review of the Administrative Hearing File

SNAP Manual 12/01/00

The household has ten days from the receipt of a form letter from the Office of Appeals and Hearings to go to the county office and review the administrative hearing file. The designated representative may accompany the household. The ES Supervisor or a designee must be present during the review.

16513 Subpoena of Witnesses

SNAP Manual 12/01/00

Either the household or the county office has the right to subpoena witnesses to testify at an administrative hearing.

NOTE: DHS employees will be expected to attend hearings and testify without being subpoenaed. The Office of Appeals and Hearings will notify DHS employees of the time and place of the hearing by memorandum.

The Office of Appeals and Hearings will notify the household of its right to subpoena witnesses.

Following review of the hearing file, the household will notify the Office of Appeals and Hearings of any individuals who must be subpoenaed on the household's behalf.

When the administrative hearing file is submitted, the county office must advise the Office of Appeals and Hearings of any witnesses to be subpoenaed to testify on behalf of the county office. The Office of Appeals and Hearings will notify the county office of any witnesses the household has requested to be subpoenaed. The county office will have five days from receipt of this notice to request subpoenas for rebuttal witnesses.

The Department of Human Services, Chief Counsel, will issue the subpoenas, pursuant to the terms of agreement and authority of Ark. Code Ann. 20-76-103.

16514 Continuation of Benefits

SNAP Manual 12/01/00

A household's SNAP benefit amount may be continued at the same amount pending the administrative hearing decision if the household is currently certified; and the request was made within 10 days of the date the notice of action was issued. (This includes notices of adverse action sent at least 10 days prior to the effective date of action and adequate notices sent at the time the action is taken.)

Both the *Appeal for Fair Hearing* (DHS-1200) and the manually issued *Notice of Action* (DCO-1) provide a space for the household to indicate whether or not benefits should be continued.

If the household does not specifically waive continuation of benefits, the Office of Appeals and Hearings will assume that continuation is desired.

If an administrative hearing and continuation of benefits is requested during the 10-day advance notice period, the household's SNAP benefits will be continued on the basis authorized immediately prior to the notice. If an administrative hearing with continuation of benefits is requested during the 10-day period following the issuance of an adequate notice of action, the household's SNAP benefit amount must be reinstated to the basis authorized immediately prior to the notice. Reinstatement must occur within 5 working days of the receipt of the hearing

request. A supplemental issuance must be authorized when necessary. (See SNAP 13200 for instructions on authorizing supplemental benefits.)

Unless one of the following situations occurs, the continued benefit level will not be changed.

1. If the household's certification period expires the household must reapply and be determined eligible based on current circumstances. SNAP benefits will be issued on the basis determined at recertification.
2. If a change that affects the household's eligibility or benefit amount occurs, the household's eligibility and SNAP benefit amount must be recalculated based on the change in circumstances. If the change results in case closure or a reduction in benefits, a notice of adverse action must be issued. Unless the household requests another hearing based upon the action specified in this notice, the change will be made when the 10-day advance notice period expires.
3. If a mass change that affects the household occurs, the change will be made regardless of the status of the administrative hearing request.

NOTE: At a mass change, participation at the prior level will be reinstated only if an administrative hearing is requested based upon the change and the issue being contested is that the SNAP benefit amount was incorrectly calculated or that federal law or regulation was misapplied or misinterpreted by DCO.

4. When a hearing officer makes a preliminary finding that the sole issue is based on federal law, regulation or policy and that DCO has not incorrectly calculated the budget or misapplied or misinterpreted the policy, the household's case will be closed or the SNAP benefits will be reduced as specified in the notice of action. (The hearing officer will notify the DHS county office in writing of this decision.)

If a hearing request is not made within the specified 10-day period, the SNAP benefits will be reduced or terminated as stated unless the household establishes that failure to request a hearing within the specified time was for good cause. The Office of Appeals and Hearings will determine good cause. If good cause is established, DCO must reinstate benefits to the prior basis.

16515 Continuation on Semi-Annual Reporting Cases

SNAP Manual 10/01/03

Households subject to semi-annual reporting have 10 days from the date the automated notice of adverse action was mailed to request an administrative hearing and continuation of benefits.

When a semi-annual reporting household's benefits are being continued, the household must continue to submit a semi-annual report form. Except for the factor or factors upon which the appeal was based, the county will adjust the household's benefits during the continuation period to take into account reported changes.

16520 Scheduling the Hearing

SNAP Manual 12/01/00

Upon receipt of the administrative hearing file, the Office of Appeals and Hearings will schedule a time and place for the hearing.

The time, date, and place of the hearing will be arranged so that the hearing is accessible to the household. A telephonic hearing will be scheduled unless the household requests a face-to-face interview. Telephonic hearings will be conducted through a conference call involving the hearing official, the household, and county office personnel. All participants except the hearing officer may be in the same location. A telephonic hearing may not be utilized unless the household agrees to the arrangement. A face-to-face hearing will be held when requested by the household.

16521 Expedited Hearings

SNAP Manual 12/01/00

The Office of Appeals and Hearings will expedite hearing requests from households such as migrant farm workers that plan to move from the jurisdiction of the hearing official before the hearing decision would normally be reached. Hearing requests from such households will be processed faster than others will if necessary for the household to receive a decision and (if the decision so indicates) restoration of benefits before they leave the area.

16522 Group Hearings

SNAP Manual 12/01/00

In the interest of providing timely services to all households, the Office of Appeals and Hearings may respond to a series of individual requests for hearings by conducting a single group hearing. A group hearing may be conducted if related issues of state and/or federal law, regulation or policies are the sole issues being raised and individual issues of fact are not disputed.

In all group hearings, the policies governing individual hearings must be followed. Each individual household will be permitted to present its case or have the case presented by a representative.

16523 Notification of the Hearing

SNAP Manual 12/01/00

The Office of Appeals and Hearings will provide written notice to all parties involved at least ten days prior to the hearing to allow for adequate preparation of the case. The notice will contain the name, address and telephone number of the office to notify if the household will not be able to attend the scheduled hearing. The notice will also contain a statement that the Office of Appeals and Hearings will dismiss the hearing request if the household or designated representative fails to appear for the hearing without good cause and any additional information that will provide the household with an understanding of the proceedings and will contribute to the effective presentation of the household's case.

NOTE: The household may waive, in writing, the 10-day advance notice requirement in order to expedite the hearing process.

16524 Postponement of the Hearing

SNAP Manual 12/01/00

The household is entitled to receive a postponement of a scheduled hearing upon request. The postponement will not exceed 30 days. The time limit for action on the decision will be extended for as many days as the hearing is postponed.

EXAMPLE: If the household postpones a hearing for 10 days, the final action will be required within 70 days of the date of the request for the hearing.

The hearing officer may postpone a hearing when, in his or her judgment, a postponement is warranted. Upon the officer's determination that a postponement is warranted, the hearing will be adjourned and rescheduled at a later time. The time frame for administrative hearing decisions will be extended by the number of days between the original hearing and the rescheduled hearing.

16530 The Hearing

SNAP Manual 12/01/00

The hearing will normally be held in the DHS county office in the county where the household resides. The hearing may be held in another DHS county office if this is more convenient for the household or the representative. The hearing may be held in the household's home or at any other reasonable location in the county if so requested.

16531 The County Office's Responsibilities

SNAP Manual 12/01/00

The DHS county office must provide an area where an administrative hearing can be conducted privately.

The county must be prepared for the hearing.

If legal assistance is needed, the ES supervisor should request assistance by memorandum to the Chief Counsel, Office of Chief Counsel.

A county representative must be designated prior to the time of the hearing. The county representative must be prepared to represent the county at the time the hearing is scheduled. The county representative must be familiar enough with the case that he or she can answer pertinent questions from either the hearing official or the household.

The county worker will assist the household in preparing for the hearing if such assistance is requested.

16532 The Hearing Officer

SNAP Manual 12/01/00

The Office of Appeals and Hearings will designate all hearing officers. The hearing officer must not have any personal interest or involvement in the case and must not have been involved in the contested action either as a county office worker or in a supervisory capacity.

The hearing officer may not review the case record or other material either prior to or at the hearing unless such material is made available to the household or a representative.

16533 Conducting the Hearing

SNAP Manual 12/01/00

A hearing officer will conduct the hearing. The household may be accompanied by friends or other persons and may be represented by a friend, attorney, or designated individual. The county will be represented by the county office worker responsible for the case, by the ES supervisor or his designee or by a DHS attorney (if previously requested, in writing).

The hearing will be conducted in an informal but orderly manner. The hearing officer will explain the administrative hearing procedure to the household (plaintiff). The county office representative will read the county office statement. The county office will present evidence and question any witnesses subpoenaed to the hearing. The county office will also be allowed to cross-examine the plaintiff's witnesses. The plaintiff will then be allowed to present his or her case. He or she may do so alone or with the aid of others. The plaintiff or representative will be given the opportunity to present witnesses, to advance arguments, to offer additional evidence and to question or refute any testimony or evidence. The plaintiff will be allowed to question the county office representative and to confront and cross-examine any adverse witnesses. If the plaintiff is unable to present his or her evidence in a logical manner, the hearing officer will assist him or her. The county office representative will be given the opportunity to present additional evidence and to question the plaintiff, his or her designated representative, or witnesses. Questioning of all parties will be confined to the issue involved. However, other eligibility factors may be dealt with when appropriate.

When all relevant information has been gathered, the hearing officer will summarize the issues, the evidence, the agency policy, and will explain that he or she will write the final decision which may be reviewed by the supervisor or manager of the Office of Appeals and Hearings.

The plaintiff will also be advised of his or her right to judicial review in the event of an adverse ruling.

16534 The Fair Hearing Decision

SNAP Manual 12/01/00

Prompt, definitive and final administrative actions must be taken within 60 days of receipt of a request for an administrative hearing. The hearing decision is based upon documentary evidence contained in the administrative hearing file and the testimony presented at the hearing.

The hearing officer will prepare a decision in compliance with FNS approved policy or federal regulations. The manager of the Supplemental Nutrition Assistance Program Section or designee may be asked to review the decision for correctness in relation to policy or federal regulation. The manager or supervisor of the Office of Appeals and Hearings may review the decision. The signed decision is binding on DCO and cannot be changed unless overturned in a court of law.

16535 Contents of the Administrative Hearing Decision

SNAP Manual 12/01/00

A hearing decision consists of four parts: Introduction, Finding of Fact, Conclusions of Law, and Decision. Each of these parts is described below.

Introduction
This part of the decision summarizes the reason for the appeal. Any pertinent information regarding the appeal must be included. The date and location of the hearing must appear. The participants in the hearing must be named.

Findings of Fact
The facts used to make a decision appear in this part. Any testimony presented must be summarized in this part.

Conclusions of Law
This summarizes the SNAP policy that applies to the issue under appeal.

Decision
This part states the decision rendered. This decision must be based upon the facts presented and the appropriate conclusions of law. The decision must state if the county office was correct in taking the adverse action. If the county was incorrect, the action must be overturned by the decision.

16536 Notification of Hearing Decision

SNAP Manual 12/01/00

Once a hearing decision is rendered, both the household and the county office will be notified in writing. The notice must supply the following information:

1. The decision
2. The reason for the decision as supported by SNAP policy or federal regulation
3. The impact of the decision on the household's SNAP benefits as decided through the hearing process

4. The household's right to a judicial review of the hearing decision and that this review may result in a reversal of the decision

Hearing decisions adverse to the household are sent by certified mail, return receipt requested, to insure that timely filing for judicial review may be ascertained.

16537 Judicial Review

SNAP Manual 12/01/00

Households not satisfied with an administrative hearing decision have the right to judicial review under the Administrative Procedures Act.

The household must file a petition in the circuit court of the county where the household lives or does business or in Pulaski County within 30 days from the date the household received the administrative hearing decision. Copies of the petition are served on DHS and other parties of record by personal delivery or mail.

Within 30 days from the date of the service of the petition on DHS (or additional time granted by the court, not to exceed 90 days total), the Office of Chief Counsel must transmit to the court the original or a certified copy of the entire record of the hearing under review.

The review will be conducted by the court without jury and will be confined to the record unless a question of irregularity in procedure exists but is not indicated in the record. Testimony may then be taken before the court.

16540 County Office Responsibilities upon Receipt of Final Decision

SNAP Manual 12/01/00

The county office will take prompt action to implement decisions from the Office of Appeals and Hearings and assure that the decision is reflected in the household's SNAP benefit amount within the 60 days from the date the hearing was requested.

16541 Decisions Which Uphold the Household

SNAP Manual 12/01/00

When the administrative hearing decision upholds the household, certain actions must be taken within the 60-day administrative hearing processing period.

1. For Households Currently Certified

If the household continued to receive SNAP benefits on the basis authorized prior to appeal action, there is no need to adjust the case or to authorize restored benefits.

If the household waived continuation of benefits and the decision results in an increase in the household's current benefit amount, the benefit amount must reflect the increase within 10 days of the receipt of the hearing decision. This is true even if a supplemental issuance must be authorized to insure that the increase is reflected.

NOTE: The county office may take longer than 10 days to increase the SNAP benefit amount if the household's next benefits will be authorized within the 60 day administrative hearing processing period.

Restored benefits will be authorized for any earlier months when the household received an under-issuance of SNAP benefits due to the issue appealed.

2. For Households Not Currently Participating

Restored benefits will be authorized if applicable. If the household's certification period has expired, benefits will be restored for any month in the certification period when an under-issuance occurred due to the issue under appeal. If a household continued to receive SNAP benefits on the basis authorized prior to the appealed action, no restoration will be authorized. If the household's case was closed and the decision reverses the closure, SNAP benefits will be restored for those months where no benefits were received due to the closure. Benefits will not be restored for any month when SNAP benefits were continued. Benefits will not be restored for any month that would not have been included in the original period of certification. Benefits will not be restored for the current month or future months that were included in the original certification period. The case will be reopened or the household must reapply as specified in the administrative hearing decision. If the household's application (initial or recertification) was denied and the denial was ruled invalid, the action to be taken will be specified in the decision.

16542 Decisions Which Uphold the County

SNAP Manual 12/01/00

When the hearing decision upholds the county, and the household had continued to receive SNAP benefits on the basis authorized prior to the appealed action, the case will be closed or the benefit amount will be reduced. No new notice of adverse action will be issued. The hearing decision serves as the notice of action.

An overpayment will be prepared since benefits were over-issued during the appeal process. The overpayment will include any months when the household continued to receive benefits pending the receipt of the decision.

See SNAP 15400 for instructions on completing an overpayment.

16550 State Tax Refund Intercept (STRI) Hearing Procedures

SNAP Manual 12/01/00

The taxpayer has thirty days from the mailing date of the intercept notice to file a written request for a hearing. All disqualification hearing requests will be sent to Overpayments Recovery Unit (ORU) where a chronological register of hearing results is maintained. After the identifying information is placed on the register, a copy of the request will be sent to the county office that originated the case and to the Office of Appeals and Hearings.

EXCEPTION: If the taxpayer has moved to a different county, the county copy along with any case records will be forwarded to the current county of residence.

Accompanying the hearing request, in a pending file, will be a set of hearing forms prepared by the ORU. The hearing packet will contain an acknowledgement letter and a hearing statement. These forms will be completed when the hearing is scheduled and conducted. When the acknowledgement letter is mailed to the taxpayer, a copy is held in the pending file, a copy is sent to the hearing officer, and a copy is sent to the county office.

When the hearing packet is received from the ORU, copies of this information along with a memorandum from the Office of Appeals and Hearings are sent to the DHS county office. The memorandum advises the county office to prepare a county statement to establish the validity of the overpayment. The county statement should be submitted to the Office of Appeals and Hearings within seven days of the receipt of the memorandum from the Office of Appeals and Hearings.

The procedures described in SNAP 16512 and SNAP 16530-16536 will also apply to STRI Hearings.

If the taxpayer is not present on the date the hearing is scheduled, the hearing may be rescheduled once at the taxpayer's request. After that, the request for hearing will be considered abandoned. (The rehearing must also be held within the thirty-day period from the date of the original request for a hearing.) If the taxpayer does not appear at the rescheduled hearing or give notice of inability to appear at least twenty-four hours before the hearing, the

request will be considered abandoned. All rescheduling will be recorded on the chronological register by the ORU.

16600 Disqualification for Intentional Program Violation

SNAP Manual 12/01/00

An intentional violation of the Supplemental Nutrition Assistance Program occurs when an individual intentionally:

1. Makes false or misleading statements to qualify for the Program or to obtain benefits to which the household was not entitled.
2. Misrepresents, conceals or withholds facts to qualify for the Program or to obtain benefits to which the household was not entitled; or
3. Commits any act that constitutes a violation to the federal regulations or any state statute relating to the use, presentation, transfer, acquisition, receipt or possession of SNAP benefits or electronic benefits transfer (EBT) cards.

A finding of intentional program violation (IPV) is made either through a court of law or a hearing process. The hearing process is known as an administrative disqualification hearing and is administered through the Office of Appeals and Hearings. Penalties in the form of a period of disqualification are imposed against individuals found guilty of an IPV through either process.

This section describes both the hearing process and the imposition of penalties on individuals disqualified either through a court of law or an administrative disqualification hearing.

16700 Administrative Disqualification Hearings

SNAP Manual 12/01/00

Administrative disqualification hearings are conducted for the following reasons:

- To permit the State to disqualify from the Supplemental Nutrition Assistance Program those individuals found to have committed intentional program violations.
- To allow the State to retain a percentage of the value of the money collected from overpayments resulting from an intentional program violations

The Office of Appeals and Hearings will make clear written rules of procedures for administrative disqualification hearings (DHS-1206) available to any interested party.

16701 When a Hearing is Conducted

SNAP Manual 12/01/00

Administrative disqualification hearings are conducted when one or more acts of IPV have been established through documentary evidence if one of the following conditions has been met:

- Civil or criminal prosecution through the court system is not warranted.
- The appropriate legal authority declinedprosecution.
- The legal authority took no action within a reasonable period of time resulting in withdrawal of the request to prosecute.

16702 Limitations

SNAP Manual 12/01/00

Administrative disqualification hearings are not conducted if the amount the individual obtained because of a suspected IPV is under $35.00 or if the value of the ineligible items purchased with SNAP benefits is less than $35.00. The $35.00 minimum may be a cumulative amount.

An administrative disqualification hearing will not be initiated against an individual when the individual's case is currently in the prosecutor's office, or when the prosecutor or a court of appropriate jurisdiction has taken action against the individual unless another unrelated IPV has occurred.

16703 Consolidation of Hearings

SNAP Manual 12/01/00

Administrative disqualification hearings may be combined with other hearings if the factual issues arise out of the same or related circumstances and the household receives proper notice that the hearings will be combined. If hearings are combined, the time frames for conducting administrative disqualification hearings will be followed unless the household waives the 30-day advance notice requirement.

16704 Responsibility for Conducting Hearings

SNAP Manual 12/01/00

The Office of Appeals and Hearings conducts administrative disqualification hearings and determines if intentional program violations have occurred.

A hearing officer who does not have personal interest or involvement in the case will conduct administrative disqualification hearings. The same hearing officers who conduct administrative hearings will also conduct disqualification hearings and will be subject to the same requirements.

16710 How a Disqualification Hearing Is Initiated

SNAP Manual 12/01/00

Either the Overpayment Unit or the Fraud Investigation Section may initiate an administrative disqualification hearing. Each procedure is described below.

16711 Referral by the Overpayment Unit

SNAP Manual 12/01/00

The DHS county office must have sufficient documentation to present at an administrative disqualification hearing before the case is referred to the Overpayment Unit as a suspected IPV. The Overpayment Unit will determine if the case is to be referred to the Fraud Section for possible prosecution, referred for an administrative disqualification hearing, or referred for non-fraud collection. If a hearing is requested, a copy of the request will be sent to the county office.

16712 Referral by the Fraud Investigation Section of OGC

SNAP Manual 12/01/00

The Fraud Investigation Unit determines which cases referred to their office are to be subsequently referred for prosecution. When an IPV is established but the case is not referred for prosecution, the case will be referred for an administrative disqualification hearing. The Overpayment Unit will notify the DHS county office that a disqualification hearing will be held.

16720 Preparation of the Administrative Disqualification Hearing File

SNAP Manual 12/01/00

16721 Cases Referred by the Overpayment Unit

SNAP Manual 1/01/89

An administrative disqualification hearing file must be prepared when the county office receives notification from the Overpayment Unit that a hearing is to be held. A copy of the file must be sent to the Office of Appeals and Hearings within seven calendar days of receipt of the hearing notification. The original file will be retained in the county office.

The file must contain a completed *SNAP Intentional Program Violation Statement* (DHS-1208) and any supporting documentary evidence. Examples of documentary evidence include applications; change reports forms, collateral statements, income statements, copies of award letters and verification of resources.

16722 Cases Prepared by the Fraud Section

SNAP Manual 12/01/00

When the Fraud Investigation Section prepares cases for an administrative disqualification hearing, the Overpayment Unit will send copies of documentation gathered by the Fraud Investigation Unit to the county office. The documentation will be sent with the memorandum advising that an administrative disqualification hearing is to be held. This documentation will become the administrative disqualification hearing file. Copies of this documentation plus copies of Supplemental Nutrition Assistance Program applications signed during the time of the alleged over issuance and IPV will be sent to the Office of Appeals and Hearings by the Overpayment Unit.

The county office will not send copies of the Administrative Hearing File to the Office of Appeals and Hearings. The case record and original applications will be returned to the county office

from the Fraud Investigation Section. Neither the case record nor the applications are to be destroyed as long as an administrative disqualification hearing is pending. The Fraud Investigation Section keeps all other original evidence.

The Fraud Investigation Unit will prepare the *Administrative Disqualification Hearing Statement* (DHS-1208) and send it to the DHS county office with the documentation. The county office must review this information prior to the hearing and must present the evidence at the hearing. If any questions arise after receipt of the documentation, the county office must contact the Fraud Investigation Section prior to the date of the hearing to resolve the issue. The fraud investigator's name will appear on the DHS-1208. If he or she is needed for inquiry or testimony at the hearing, the county office will contact the Administrator, Fraud Investigation Unit, to request this individual's presence at the hearing.

16730 Cancellation of a Hearing by the County Office

SNAP Manual 12/01/00

If at any time prior to the time of the administrative disqualification hearing the county office feels that there is not sufficient evidence to conduct a hearing, the Office of Appeals and Hearings should be contacted immediately. The hearing will be cancelled and the case administratively withdrawn. (This does not apply to cases referred by the Fraud Section.)

16740 Advance Notice

SNAP Manual 12/01/00

The Office of Appeals and Hearings must notify the accused individual at least 30 days in advance of the hearing date. The notice must be mailed by certified mail, return receipt requested. The notification must include the following information:

- The date, time and place ofhearing
- The charges against the household member
- A summary of the evidence (administrative disqualification file)
- An explanation of where and how the evidence may be examined
- A warning that if the accused individual fails to appear for the hearing, the decision will be based solely on the evidence provided by the county office
- A warning that if the hearing decision is that an intentional program violation has occurred, a disqualification will be imposed
- A listing of the household member's rights during the hearing

- A statement that the state or federal government may still prosecute the household member in civil or criminal court action and collect the over-issuance
- A statement that the household member may contact the county office for the name and telephone number (if available) of a person who can give free legal advice
- If free legal advice is not available, the number of the lawyer referral service of the local Bar Association
- A statement that the household member or representative has 10 days from the date of the scheduled hearing to present good cause for failure to appear in order to have the hearing rescheduled
- A copy of DCOs published hearing procedures or a statement that a copy of the hearing procedures is available upon request

The Office of Appeals and Hearings uses an *Advance Notice of Your Administrative Disqualification Hearing* (DHS-255) for this purpose. A statement attached to the DHS-255 provides a space for the accused to name any persons he or she wishes to have subpoenaed to present testimony on his or her behalf at the hearing. A waiver of the right to subpoena witnesses is also provided.

16750 Waived Hearings

SNAP Manual 12/01/00

Individuals accused of intentional program violations may waive their rights to an administrative disqualification hearing.

When a case is referred for an administrative disqualification hearing, the Office of Appeals and Hearings must advise the individual in writing, that he or she may waive his or her right to an administrative disqualification hearing.

The written notification must contain the following information:

- A signature blank for the accused individual and the casehead if the accused individual is not the casehead
- A statement that the accused individual has the right to remain silent concerning the charges and that anything said or signed by the individual concerning the charges can be used in a court of law
- A statement that a signed waiver will result in disqualification and a reduction in SNAP benefits during the period of disqualification even if the accused individual does not admit the charges

- An opportunity for the accused individual to admit the charges or to waive the hearing without admitting the charges
- The telephone number to call for additional information
- A statement that any remaining eligible household members will be held responsible for repayment of the resulting claim
- A statement that the accused individual will be notified of the hearing date at least 30 days in advance if he or she chooses not to waive the hearing

The Office of Appeals and Hearings uses a *Waiver of Right to an Administrative Disqualification, Hearing* for this purpose. (A copy of the signed waiver will be sent to the county office.)

The Fraud Investigations Unit may also obtain from the accused individual a waiver to an administrative disqualification hearing during the course of an investigation and prior to referral to the Office of Appeals and Hearings. A *Waiver of Hearing and Disqualification Agreement* (DHS-267) is used for this purpose. Upon receipt of a signed DHS-267, the Fraud Investigations Unit will forward the form to the county office so that the appropriate disqualification may be imposed.

16760 Scheduling of Hearing

SNAP Manual 12/01/00

The hearing must be accessible to the member of the household suspected of the IPV.

When the Office of Appeals and Hearings has proof that the household member accused of committing an IPV has received timely advance notice of the hearing, or has refused such notice, then the Office of Appeals and Hearings has fulfilled the notice requirements and can proceed with the hearing. When neither proof of receipt nor proof of refusal exists, and the household member fails to appear, the Office of Appeals and Hearings cannot proceed with the hearing. If the household member appears for the hearing but establishes that the notice was not received 30 days prior, the hearing officer must consult with this individual and determine if the individual will be allowed additional time to submit documents to support his claim or the hearing will be rescheduled. If there is no proof that the advance notice was received 30 days prior, but the household member admits this, then the hearing can proceed.

If the hearing decision is that an IPV exists but the household member provides good cause for failing to appear for the initial hearing, the previous decision is invalidated. The hearing will be rescheduled. The decision will be made based on information presented at the latter hearing. The same hearing officer may conduct both hearings.

16761 Review of the Administrative Disqualification Hearing File

SNAP Manual 12/01/00

At the time the scheduling letter is sent, the accused individual is advised that he or she has ten calendar days from the date the certified mail receipt is signed to review the administrative disqualification hearing file and request subpoenas.

The county office must provide free copies of the relevant portions of the hearing file if requested by the household or a representative so long as no confidential information is released. In all cases, the county administrator or a designee must review the hearing file with the household or a representative. Confidential information that the household is not allowed to contest or challenge is inadmissible at the hearing and may not have any bearing on the decision.

16761.1 Requesting Subpoenas

SNAP Manual 12/01/00

Either the individual accused of the IPV or the county office may request that witnesses be subpoenaed to appear at an administrative disqualification hearing. The accused individual will use the attachment to the scheduling letter to request subpoenas. The Office of Appeals and Hearings will advise the county office of any witnesses the household has requested to be subpoenaed.

The county office will have five days from receipt of this notice to request subpoenas for rebuttal witnesses. The county office may request subpoenas on the reverse side of the *Administrative Disqualification Hearing Statement* (DHS-1208). If subpoenas are needed by the county office on any case where the Fraud Investigation Section prepared the county statement, a copy of this form should be used to request the subpoenas from the Office of Appeals and Hearings.

The Department of Human Services, Office of Chief Counsel, will issue the subpoenas pursuant to the terms of agreement and authority of Ark. Code. Ann. §20-76-103.

16762 Postponement of a Scheduled Hearing by the Household

SNAP Manual 12/01/00

A household is allowed a postponement of a scheduled hearing if the request is made at least 10 days in advance of the scheduled hearing or if good cause for failure to appear at the hearing can be shown. However, the hearing cannot be postponed more than 30 days, and the

postponement may be limited to one at the discretion of the Administrator of the Office of Appeals and Hearings.

If the hearing is postponed, the time limits for processing the hearing will be extended for as many days as the hearing is postponed not to exceed 90 days.

16770 Participation In the Program During the Hearing Process

SNAP Manual 12/01/00

All household members have the right to participate in the Supplemental Nutrition Assistance Program while the determination of an IPV is pending. If the action for which the charge has been brought does not affect the household's current circumstances, the household will continue to receive SNAP based on the latest certification. Recertification will be based on current circumstances. Benefits will not be continued if the household does not reapply.

The county office will terminate or reduce benefits if there is verification that the household is totally ineligible or eligible for fewer benefits and the household fails to request an administrative hearing and continuation of benefits. This is true even if these facts lead to the suspicion of an IPV and a resulting administrative disqualification hearing. For example, the county office may have verification that a household failed to report a change in circumstances that will cause a reduction in SNAP benefit amount. Benefits will be reduced even though DHS has not yet demonstrated through the hearing process that the failure to report involved an IPV.

16780 Conducting the Hearing

SNAP Manual 12/01/00

The hearing officer should make a particular effort to arrive at the facts of a case in a way that makes the SNAP household feel at ease.

16781 Attendance

SNAP Manual 12/01/00

The hearing be attended by a representative of the county office that initiated the suspected IPV and by the household and/or representative. With the household's consent, friends or relatives may also attend the hearing. If space limitations exist, the hearing officer may limit the number of persons allowed to attend at the hearing. The oath will be administered to all persons presenting testimony at the hearing.

16782 The Household Rights during the Hearing

SNAP Manual 12/01/00

The household will be allowed to examine the administrative disqualification hearing file prior to the date of the hearing and during the hearing (see SNAP 16761). The household has other rights as listed below:

- The right to subpoena witnesses to appear on his or her behalf at the hearing
- The right to present his or her case or to have it presented by a legal counsel or other person
- The right to advance arguments without undue interference
- The right to question or refute any testimony or evidence, including an opportunity to confront and cross examine adverse witnesses
- The right to submit evidence to establish all pertinent facts and circumstances in the case

The hearing officer will advise the individual or representative that he or she may refuse to answer questions during the hearing.

16782.1 Representatives for the Household

SNAP Manual 12/01/00

An individual may designate in a signed statement the name of a representative to act in his behalf by reviewing the hearing file. If the representative is to act on the individual's behalf during the administrative disqualification hearing, this must be so specified on the signed statement. The statement designating the individual must appear in the hearing file.

The designated representative will receive a copy of all correspondence regarding the hearing proceedings.

16783 The Hearing Officer's Role

SNAP Manual 12/01/00

The hearing officer has the following duties:

- To insure that all relevant issues are considered
- To request, receive, and make part of the record all evidence determined necessary to decide the issues being raised
- To regulate the conduct and course of the hearing consistent with due process to insure an orderly hearing

- To order, where relevant and useful, additional information from a source mutually satisfactory to the household and DHS
- To provide a summary of the hearing so that a decision may be rendered about the alleged act of IPV

16790 The Decision

SNAP Manual 12/01/00

The hearing officer will prepare a decision based on a comprehensive report of the proceedings. The format will consist of an introduction, findings of facts, conclusions of law, and a decision. The administrator of the Office of Appeals and Hearings may review and sign the order.

16791 Timely Action

SNAP Manual 12/01/00

Final action (including arriving at a decision and initiating administrative action) must be taken within 90 days of the date the household member is notified in writing that an administrative disqualification hearing has been scheduled.

16792 Absence of Intentional Program Violation

SNAP Manual 12/01/00

If the decision is that no IPV has occurred, the household member will be so notified by the Office of Appeals and Hearings in writing. A copy of the decision will be sent to the county office, the Overpayments Unit and to the Fraud Investigation Section if this section was involved in the case.

16793 Finding of Intentional Program Violation

SNAP Manual 12/01/00

If the decision is that an IPV has occurred, the original hearing decision and one copy will be sent to the appropriate county office. Copies will also be sent to the Overpayments Unit, to the household and to the Fraud Investigation Section if this section has been involved.

NOTE: The copy is sent to the household for informational purposes only. The county is still obligated to send the original decision to the household as instructed in SNAP 16800.

16800 Imposing the Disqualification - County Office Actions

SNAP Manual 08/01/04

See SNAP 16830 when an individual signs a waiver of their rights to an administrative hearing.
See SNAP 16840 when and individual is found guilty of an IPV through a decision of court.

An individual found to have committed an intentional program violation (IPV) trough the administrative disqualification hearing process will be disqualified from participating in Supplemental Nutrition Assistance Program. When the county office receives a hearing decision that an IPV had occurred, a period of disqualification will be imposed against the individual who committed the violation. For offenses that occurred or began on or after October 1996, the disqualification periods are listed below:

- One year for the first violation
- Two years for the secondviolation
- Permanently for the third violation

For offenses that occurred or began prior to March 1979, no disqualification will be imposed. For offenses that occurred or began during the period from March 1979 to September 1983, the disqualification will be three months regardless of the number of offenses. For offenses that occurred or began during the period from October 1983 to September 1996, the disqualification will be six months for the first offense, twelve months for the second offense, and permanent for the third offense.

For certain offenses there are specific penalties. See the chart below:

Offense	Penalty
Having been found by a Federal, State or local court to have used or received SNAP benefits in a transaction involving the sale of a controlled substance as defined in section 102 of the Controlled Substance Act (21 U.S.C. 802).	• 24 months for the first violation • Permanent disqualification for the second violation
Having been found by a Federal, State or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition or explosives.	Permanent disqualification
Convicted in a Federal, State or local court of having trafficked benefits for an aggregate amount of $500 or more.	Permanent disqualification
Making a fraudulent statement or representation with respect to identity or residence in order to receive multiple benefits simultaneously (duplicate participation).	10 year disqualification

Only the household member found to have committed an IPV would be disqualified. Remaining members may participate if otherwise eligible. The disqualification will be effective on the first day of the month following the month in which the household member received written notification of the hearing decision. Once imposed, a disqualification period continues uninterrupted until completed regardless of whether the SNAP case is open or closed.

Upon receipt of a decision, the worker will establish a disqualification period that begins with the month following the month the household received the hearing decision. Then the worker will recalculate the household's budget in accordance with SNAP 1623.2. Last, the worker will complete and route the *Action Taken on Your Fraud Hearing* (DCO-256) and *SNAP Disqualified Recipient Report* (DCO-19).

An advance notice of adverse action is not required when a disqualification is imposed. The DCO-256 serves as notification of the disqualification period and the resulting change in benefit amount. The DCO-19 must be completed according to the instructions on the form and routed within 10 days of receipt of an IPV decision. The original is routed to the Central Office, Supplemental Nutrition Assistance Program Section, mail slot 1240. A copy of the form is filed in the case record and retained for three years following the date the disqualification ended. For a permanent disqualification, the form is retained indefinitely.

16810 Disqualified Recipient System (DRS)

SNAP Manual 12/01/00

The Disqualified Recipient System (DRS) is an automated system that contains information about individuals disqualified from participating in the Supplemental Nutrition Assistance Program due to an IPV.

A *SNAP Disqualified Recipient Report*, DCO-19, must be routed to the Central Office, Supplemental Nutrition Assistance Program Section, where the form will be keyed to a DRS data file. The DRS file is transmitted to the Department of Agriculture, Food and Nutrition Services (FNS) National Computer Center in Kansas City each month.

16812 DRS Error Report

SNAP Manual 12/01/00

The day following transmission of the data file to Kansas City, the Central Office, Supplemental Nutrition Assistance Program Section receives an error report. For example, a DCO-19 is keyed with disqualification number entered as "1" but the national DRS file already has a first offense

record in the data file for the individual. If the Supplemental Nutrition Assistance Program Section can resolve the items on the error report received from FNS, the correction will be forwarded to FNS at the next available opportunity. However, errors that cannot be resolved by the Supplemental Nutrition Assistance Program Section are returned to the DHS County Office for resolution.

16814 DRS Voice Response Unit (VRU)

SNAP Manual 12/01/00

The Voice Response Unit (VRU) provides recipient disqualification information for the DRS. The VRU is accessed by using a touch tone telephone, a six digit User ID, and a six digit password. Dialing 1-800-445-9498 accesses the VRU.

The VRU should be accessed prior to approving an application from a household that moved to Arkansas from another state within the past three months. (All adult members of the household should be screened against the DRS VRU.) The VRU should be accessed prior to adding an adult member to an existing SNAP household if this member moved to Arkansas from another state within the past three months.

The VRU should be accessed prior to imposing a disqualification if the individual appeared on the report "SNAP Recipients With Pending/Active Intentional Program Violations". This query is needed to determine if this offense is first, second, or third offense. Since data from the old DRIPS system has not been updated to the new DRS for Arkansas, the case record must also be checked the offense is imposed.

16815 FACTS/DRS Interface

SNAP Manual 12/01/00

Each month the Central Office, Supplemental Nutrition Assistance Program Section, receives a Match File of DRS cases from FNS. The DRS Match File contains information about individuals who are currently serving disqualification and individuals whose disqualification period has not yet been imposed. The DRS Match File is interfaced with a data file of active SNAP recipients. Individuals participating in a SNAP case who are on the DRS Match File are included on a report "SNAP Recipients With Pending/Active Intentional Program Violations". The report is sent to the DHS County Office where the SNAP case is located.

16816 Action on DRS Data

SNAP Manual 12/01/00

When an individual is included on the "SNAP Recipient With Pending/Active Intentional Program Violations" report, the county must impose the disqualification as per SNAP 16800 using the report. Information printed on the report includes the SNAP case name and case number as well as the following information for the IPV individual:

- Name
- SSN
- Date of Birth
- Sex Code
- Disqualification Number
- Disqualification Start Date
- Length of Disqualification (*99 if permanently disqualified*)
- Disqualification Decision Date

The following information appears on the report to help the county office obtain needed information from the state and/or county that placed the DRS record on the national system:

- State of Disqualification
- Locality of Disqualification (*This is the county code if the state is in Arkansas or the FIPS code if state is not in Arkansas. A FIPS Code Directory is available in each DHS county office.*)
- Contact Title (*This is the job title of individual to contact for information about the disqualified individual.*)
- Contact Organization (*This is the office to contact for information about the disqualified individual.*)
- Contact Phone
- Contact Phone Extension

Upon imposition of the disqualification, the DHS county office completes a DCO-19 and a copy is forwarded to the Supplemental Nutrition Assistance Program Section, Slot 1240. The Supplemental Nutrition Assistance Program Section keys the DCO-19 into the DRS file for transmission to FNS.

16820 Overpayment Unit Actions

SNAP Manual 12/01/00

Upon receipt of a copy of a hearing decision of IPV, the Overpayments Unit will issue a letter to the household. The letter will specify that the household must make restitution for the related overpayment. The letter will also specify that if an agreement to repay the overpayment is not made within 30 days, the household's SNAP benefit amount will be reduced to recoup the overpayment.

After the individual who committed the IPV is disqualified, the household continues to be liable for repayment of the resulting overpayment. The remaining household members must begin restitution during the period of disqualification.

If the household agrees to make restitution, but fails to do so, the household's SNAP benefit amount will be reduced to recoup the overpayment. (The household may also choose to make restitution through recoupment.) Either 20% of the household's monthly SNAP benefit amount or $10.00, whichever is greater, will be recouped. If the household stops participating in the Program while the overpayment is being recouped, equivalent cash payments will be required until the overpayment is completely repaid.

See SNAP 15530 for additional information on collection of overpayments.

16830 Imposition of Disqualification When a Waiver is Signed

SNAP Manual 12/01/00

If the accused individual signs the *Waiver of Hearing and Disqualification Agreement* (DHS-267) within the specified time frames, the individual will be disqualified as instructed in SNAP 1623.2.

The original signed waiver is routed to the Overpayment Unit. Two copies are sent to the appropriate county office. One copy will be filed in the case record. The second copy will be sent to the disqualified individual with a completed *Action Taken on Your Administrative Disqualification Hearing/Waiver* (DCO-256).

The period of disqualification will begin with the first month following the month during which the household member received written notification of the disqualification. (Unless the Fraud Investigations Unit can reasonably expect to get a waiver packet to the county by the 20th of the month, the Fraud Investigations Unit will delay imposition of the penalty until the following month.) If appropriate, the household's certification period will be shortened to end in the

month when the disqualification ends. The household of the disqualified member is liable for the over issuance resulting from the IPV.

The Overpayment Unit will contact households that complete the DCO-257 to arrange for repayment to begin. A *SNAP Intentional Program Violation Repayment Agreement* (DHS-254) will be issued to the household.

See SNAP 16800 for complete instructions on disqualifying a household member for IPV.

16840 Court Imposed Disqualifications

SNAP Manual 08/01/04

DCO will disqualify an individual found by a court of law to have committed an IPV for the length of time specified by the court. If the court does not impose a disqualification period, DCO will impose a disqualification period in accordance with SNAP 16800. Individuals found guilty in a federal, state, or local court of trading SNAP for controlled substances will be disqualified for 24 months for the first violation and permanently for the second violation unless the court imposes a specific period of disqualification. Individuals found guilty by a court of trading firearms, ammunition or explosives for SNAP will be subject to permanent disqualification unless the court imposes a shorter disqualification period.

When a court finds that a household member has committed an IPV, the Fraud Investigation Section will inform the county office by memo, with a copy to the Overpayments Unit. Upon receipt of the memo, the county office will immediately complete a *Notice of Court Decision* (DCO-259), and send it to the disqualified household member to initiate the disqualification.

NOTE: Court decisions that specify that NO disqualification is to be imposed do not require a DCO-259.

The budget will be recalculated, and the certification period will be shortened to coincide with the disqualification period if necessary. The income and resources of the disqualified member are handled according to procedures described in SNAP 1623.2.

A *SNAP Intentional Program Violation Repayment Agreement* (DCO-254) will be sent to the household by the Overpayments Unit upon notification of a finding of an IPV by a court of law.

16900 Appeal Rights After the Hearing

SNAP Manual 12/01/00

No further administrative appeal procedure exists after an adverse decision through an administrative disqualification hearing. Another administrative disqualification hearing cannot reverse the determination of an IPV resulting from an administrative disqualification hearing. The household member is, however, entitled to seek relief in a court having appropriate jurisdiction since the period of disqualification may be subject to change through a court decision.

16910 Judicial Review

SNAP Manual 12/01/00

An individual found guilty of an IPV through an administrative disqualification hearing has the right to judicial review.

Within 30 days from the date the petitioner received the decision a petition must be filed in the circuit court of any county in which the petitioner lives or does business or in the circuit court of Pulaski County. Copies of the petition are served on the Agency and other parties of record by personal delivery or mail.

Within 30 days from the date of the service of the petition on the agency or additional time granted by the court, not to exceed 90 days total, DCO must transmit to the court, the original or a certified copy of the entire record of the hearing under review.

The review shall be conducted by the court without jury and will be confined to the record unless a question of irregularity in the procedure exists which is not indicated in the record. Testimony may then be taken before the court.

16920 Reversed Disqualifications

SNAP Manual 12/01/00

In cases where the conviction of an individual for IPV is reversed by a court of appropriate jurisdiction, DCO will reinstate the individual in the Program if the household is otherwise eligible. Benefits that were lost as a result of the disqualification will be restored in accordance with the procedures specified in SNAP 13330. If an administrative disqualification hearing decision is reversed, the county office will be advised so that any disqualification can be ended.

17100 Disaster Procedures – Summary

SNAP Manual 12/01/98

The Food and Nutrition Act of 2008 authorizes the Food & Nutrition Service (FNS) to declare a need for temporary food assistance for victims of a disaster. Under the disaster certification procedures, a household must complete and submit an abbreviated application, be interviewed and provide limited verification.

This section covers the procedures used by DCO when temporary food assistance is provided as the result of a disaster.

17110 Disaster Plan

SNAP Manual 12/01/98

This agency has formulated a disaster plan that has been approved by Food and Nutrition Service (FNS). Under this plan the Agency may choose to provide food assistance under the terms of a series of waivers approved by FNS or to operate a full program. Should a disaster occur in Arkansas that warrants the need for emergency food assistance, the Agency will decide, in conjunction with FNS, what type of disaster program to operate.

17200 Determination of a Disaster

SNAP Manual 09/01/06

DHS may make application to FNS for authorization to implement temporary food assistance when a storm, fire, flood, or other catastrophe has disrupted normal commercial channels of food distribution and affected so many households that the regular SNAP cannot respond to their temporary food needs.

Commercial channels of food distribution must be restored prior to implementation of a DSNAP. If the disaster has caused one or more of the following conditions, the condition will be considered a disruption of the normal commercial channels.

1. There is limited access to retail food outlets because of damage to roads, bridges, or mass transit within the area
2. Retail and wholesale food outlets are closed for a significant period.
3. Delivery of supplies to food outlets has been significantly hampered.
4. The normal operating hours of food outlets have been significantly shortened restricting normal opportunities to purchase food supplies.
5. A power failure has significantly restricted the operation of food outlets.

Commercial channels of food distribution will be considered restored when conditions have improved to the extent that households have reasonable access to food outlets.

A Disaster Supplemental Nutrition Assistance Program (DSNAP) may be considered if:

1. Damage is so severe or widespread that regular application procedures would be too cumbersome.
2. Affected populations need benefit of less strict Snap eligibility criteria and/or access to benefits more quickly than the regular SNAP can provide.
3. The nature of the disaster is such that many households will not have the verification requested by the regular SNAP rules.
4. The number of waivers required to adequately address disaster victim's needs would be confusing and administratively difficult to implement.

Meeting disaster victim's needs through the regular SNAP, with waivers, may be considered if:

1. The affected population is small.
2. The affected population is mostly the same population that is already eligible to receive SNAP benefits.
3. The disaster effects appear to be short term

4. Only minor or a very few modifications would be needed to the regular SNAP rules in order to adequately meet disaster victim's needs.

17210 FNS Authorization

SNAP Manual 01/01/06

If an application for a disaster designation is approved, FNS will authorize DCO to use disaster certification and issuance procedures. The counties or parts of counties where such procedures are authorized will be specified. The period of time during which applications for disaster assistance may be accepted will also be specified. This will be the designated disaster period.

FNS authorization will be made in person or by telephone and will be followed by written information. Denials will be handled in the same manner. FNS must approve temporary certification and issuance arrangements. If the assistance of a disaster relief agency is needed to provide temporary food assistance during a disaster, FNS must authorize the disaster relief agency designated by DCO and specify the functions that the agency may perform.

Emergency benefits will also be provided to eligible households to replace food destroyed in a disaster. Replacement benefits will be equal to the value of the food actually lost in the disaster not to exceed the applicable maximum monthly benefit amount for the household size.

17300 The Application Process

SNAP Manual 09/01/06

Appropriate DCO personnel will determine eligibility for emergency SNAP benefit assistance during a disaster. Volunteers and/or other State personnel may be designated by DCO to assist with determining eligibility for affected households. DSNAP applications will normally be taken and processed at the DHS county office in the county or counties affected by the disaster. However, other sites may be designated if deemed necessary.

17310 Filing an Application

SNAP Manual 09/01/06

To request emergency SNAP assistance, a household must submit a completed application for assistance to a certification site in person or through an authorized representative during the designated disaster period. Designated personnel at the certification site will record the date of receipt on the application. Applications submitted outside of this period will be processed in accordance with normal SNAP procedures.

17320 Household Cooperation

SNAP Manual 09/01/06

The application must be completed and signed, the household or the authorized representative must be interviewed, and certain information on the application must be verified as required in SNAP 17355. If the household refuses to cooperate with DCO in completing this process, the application will be denied at the time of refusal. Refusal to cooperate is fully defined and explained in SNAP 8300.

17330 Interviews

SNAP Manual 09/01/06

An interview must be conducted with a member of each applicant household. The interview will be an official discussion of household circumstances. Certification workers, volunteers, or others may conduct the interview as representatives of an authorized disaster relief agency designated by DCO.

The casehead, spouse, any other responsible member of the household or an authorized representative (AR) may be interviewed. Anyone may accompany the household member or AR

to the interview. At the beginning of the interview, the interviewer will advise the applicant either orally or in writing of:

1. The household's rights and responsibilities (See SNAP8120);
2. The civil and criminal provisions and penalties for violation of the Food and Nutrition Act of 2008 (See SNAP 16800);
3. That the household may be subject to a post-disaster review; and
4. The availability of the regular SNAP.

If the household also wishes to file an application for the regular Program, the interviewer will advise the applicant of the address and telephone number of the selected county office.

NOTE: Group sessions may be used to initially screen applicant households under the eligibility criteria explained in SNAP 17350, to explain household rights and responsibilities, and to explain how to complete an application.

The interviewer will review the information on the application with the applicant. Any unclear or incomplete information will be resolved. Verification will be obtained as specified in SNAP 17354. The household's eligibility and SNAP benefit amount will be determined using the guidelines in SNAP 17350.

Upon completion of the interview, the interviewer will advise the applicant orally and via *Notice of Action* (DCO-1) of the disposition of the household's application. Each eligible applicant will be advised of the proper use of SNAP benefits.

17340 Processing Standards

SNAP Manual 09/01/06

If a household is eligible to receive DSNAP benefits, the DSNAP application approval will be keyed to ANSWER on the date of application unless restrictions such as curfews make it impossible for the office to meet this standard. In these situations, the DSNAP application approval will be keyed to ANSWER no later than the day after the date the application was filed. All disaster applications must be processed (approved or denied) within the designated disaster period.

17350 Disaster Criteria

SNAP Manual 09/01/06

Households who make application for emergency SNAP benefit assistance during disasters must meet all of the following criteria:

1. The household must have resided within the geographical area authorized for disaster procedures at the time the disaster struck. Such a household may be certified for disaster issuance while occupying temporary accommodations outside the disaster area.
2. The household must purchase food and prepare meals during the designated disaster period.
3. The household must have experienced at least one of the following adverse effects of the disaster:
   - Loss of food in the disaster
   - Damage to or destruction of the household's home or self-employment business;
   - inaccessibility of income
   - Inaccessibility of liquid resources
   - Disaster-related expenses

Loss of income/inaccessible income – This is a reduction or termination of income or a significant delay in receipt of income due to the destruction or inaccessibility of the work place or other disaster related problems.

Inaccessible liquid resources – Liquid resources are considered inaccessible if funds are deposited in a financial institution that is expected to be closed during most of the designated disaster period and the household cannot otherwise access their funds –e.g., writing a check or using a check card or using an ATM or debit card. Resources are also inaccessible if the household is unable to reach the financial institution because of the disaster and cannot otherwise access their funds as described above.

Disaster related expenses-This includes disaster-related home or business repairs, temporary shelter expenses, evacuation expenses, home/business protection, disaster-related personal injury including funeral expenses that are not expected to be reimbursed during the disaster benefits period.

17351 Household Information

SNAP Manual 09/01/06

The SNAP household will include those members who are living and eating together during the disaster benefits period. The SNAP household WILL NOT include members of any household with whom the applicants are temporarily staying during the disaster.

The citizenship and alien status provisions of the regular SNAP WILL NOT apply during a DSANP. The eligible student provisions of the regular SNAP WILL NOT apply during a DSNAP.

Failure to provide the social security number of household members WILL NOT result in a disqualification in a DSNAP.

The work registration and/or work requirements of the regular SNAP WILL NOT apply during a DSNAP. (Sanctions imposed for work registration violations WILL NOT apply to DSNAP applicants.)

Household members who are disqualified from the regular SNAP for an IPV or a felony drug conviction may participate in a DSNAP. However, if an individual is found to have committed an IPV in a DSNAP, he or she WILL be disqualified from participating in the regular SNAP.

17352 Income and Resource Test

SNAP Manual 09/01/06

The household's take home pay for the designated disaster period added to the household's accessible cash resources (case on hand and accessible funds in checking and savings accounts) must be less than or equal to the maximum income limits for the household size after disaster related expenses are deducted.

17353 Income

SNAP Manual 09/01/06

Only income that the household has received or can reasonably expect to receive during the disaster period will be considered. Income will include the following:

- Take Home Pay-Wages received by a household member after taxes or other deductions are withheld.

- Self-Employment Income- Self-employment income earned by a member during the designated disaster period less personal and social security taxes and the allowable costs of producing the income. See SNAP 5622 for an explanation of allowable costs.
- Other Income- Net income other than earnings received by a household member.

17354 Resources

SNAP Manual 09/01/06

Non-liquid assets such as vehicles or real property will be excluded in a DSNAP.

The following liquid resource will also be excluded in a DSNAP: IRA accounts, disaster insurance payments or other disaster assistance expected to be receive during the disaster period. This includes payments from federal, state, or local government agencies and private disaster assistance organizations.

All other liquid resources (cash on hand and all funds in savings and checking accounts) will be counted unless the county office determines that such funds will be inaccessible to the household for most of the disaster benefit period.

17355 Allowable Disaster Related Expenses

SNAP Manual 09/01/06

Disaster related expenses are limited to:

1. The cost of repairing damage to the household's residence.
2. The cost of repairing damage to any property that is essential to employment or self-employment of a household member.
3. The cost of temporary shelter if a household's residence is not habitable or a household cannot reach its residence.
4. The cost of moving out of an area evacuated due to disaster.
5. Costs related to protecting property from disaster damage.
6. The cost of medical expenses for disaster-related injury to a person who was a household member at the time of the disaster. This includes funeral and burial expenses in the event of death due to the disaster.

Other expenses will not be considered.

The household must have paid or must expect to pay the expenses during the designated disaster period. Such expenses are not deductible if the household has received or expects to receive full reimbursement of the expense during the designated disaster period. If partial reimbursement is expected during the designated disaster period, only the portion of the expense not covered by the reimbursement will be allowed.

If reimbursement is expected but the household cannot be reasonably certain that the reimbursement will be received during the designated disaster period, the full amount of the expense will be deductible.

17356 Verification

SNAP Manual 09/01/06

To expedite certification of emergency assistance, only the applicant's identity and residence at the time of the disaster will be verified. Examples of acceptable verification include, but are not limited to, a driver's license, work or school ID, voter registration card or rent receipts and utility bills.

Since documents may be destroyed or inaccessible due to the disaster, residency may also be verified through sources such as telephone books or city directories when necessary. A collateral contact may be used as a source of verification if the household's identity and residency cannot be verified through documentary evidence or if the use of a collateral contact would expedite the household's certification.

In some unusual situations, verification of residency may not be possible. If residency cannot readily be verified despite the efforts of the worker and the household, the household will not be denied solely for this reason.

Applicant households must provide estimates of income, cash resources, and allowable disaster-related expenses. The household will be requested to itemize individual expenses as well as the different sources of income and resources.

Questionable situations: If household composition is questionable, the DHS workers could ask the applicant to list the names, ages, and birthdays of all household members. If food loss is questionable, the DHS worker could check with the power company to determine if the household's residence is located in as area affected by a power loss. The household might also be asked to submit a list of food items lost due to the power outage.

NOTE: Public notices will encourage households to bring all available verifications. Notices will include language to ensure that this encouragement does not serve as a barrier to participation for eligible households.

17357 Calculating the Budget

SNAP Manual 09/01/06

Calculating the disaster budget will include the following processes:

1. Determining the household's total income for the designated disaster period;
2. Determining the household's total accessible liquid resources;
3. Adding together the income and the household's total accessible resources; and
4. Comparing the resulting figure to the maximum income limit for the appropriate household size.

The household is eligible if this figure is less than or equal to the appropriate maximum income limit.

NOTE: Maximum income charts will be issued to all certification sites upon determination of a disaster by FNS.

17360 Certification Period

SNAP Manual 09/01/06

Normally, a one-month certification period will be assigned to households participating in the DSNAP. The Office of Program Planning and Development will advise county offices of the length of the benefit period.

17370 Benefit Amount

SNAP Manual 09/01/06

Eligible households will receive the maximum amount of benefits authorized by the basis of issuance tables unless the household is currently certified under the regular program (See FSC 17510). Proration will not apply.

17380 Notices

SNAP Manual 09/01/06

*A Notice of Act*ion (DCO-1) will be issued to the household. The notice will specify the household's eligibility or ineligibility and, for eligible households, the benefit amount.

17400 Administrative Hearings

SNAP Manual 12/01/98

Households denied disaster benefits may request an administrative hearing. Households requesting hearings will be offered immediate supervisory reviews due to the time that is likely to pass before a hearing decision can be rendered. The supervisory review will not replace the administrative hearing.

17500 Transition to the Regular SNAP

SNAP Manual 09/01/06

SNAP benefits issued to a household under DSNAP rules will be used to offset benefits issued under regular Program rules. For example, a household applies for SNAP benefits under a DSNAP on March 6. On March 20, the household applies under regular Program rules and is determined eligible. The household's March benefits will be offset by the benefits certified under the DSNAP.

17510 Households Certified Under the Regular SNAP

SNAP Manual 09/01/06

The following rules apply to households certified under the regular program that request assistance due to a declared disaster:

Rule 1: Households currently certified for the ongoing Program may also be eligible for temporary emergency SNAP assistance during disasters. These households will be allowed to apply for DSNAP assistance. Their eligibility will be determined in the same manner as any other disaster victim. DHS will reduce the amount of disaster benefits issued to currently certified households by the amount of SNAP issued to the household under the ongoing Program for the same period.

If the household's food was damaged by the disaster and the household must replace the food, then the SNAP benefit amount authorized under the Disaster Program will not be reduced by the benefits issued under the ongoing program.

When it is not practical to determine, verify or otherwise take into account ongoing Program benefits, DCO may, with the approval of FNS, issue full disaster allotments to households who are certified under the ongoing Program.

Rule 2: Households requesting a replacement of food purchased with SNAP benefits and subsequently destroyed will be referred to the county office for a normal replacement. Households will not be given replacements if they have received or will receive disaster SNAP benefits for the same period.

Rule 3: Households certified under regular Program procedures that report changes during the application process for emergency assistance will be referred to the county office. The household is responsible for reporting the required information directly to the office which handles the regular case.

17600 Program Monitoring and Review

SNAP Manual 09/01/06

Supervisory personnel will closely monitor the disaster application site to identify problem areas and will take immediate corrective action. These include problems with crowds, workflow, physical facilities, media information, and prevention of multiple SNAP issuances.

DCO will conduct a post disaster review of disaster certification activities to determine what, if any, corrective actions should be taken to improve disaster certification procedures. FNS will determine the number of cases to be reviewed on an operation-by-operation basis. The review will include a case record review, an interview with the recipient, verification of declared information, a determination of eligibility for disaster assistance and an analysis of errors. The Director of County Operations will designate the unit to conduct such reviews.

Claims will be established against any household that received more disaster assistance than it was entitled to receive. Benefits will be restored to households that received fewer benefits than the household was entitled due to an agency error.

All emergency disaster records will be maintained for the same period as other records and will be available for review and audit as well as for any other purpose specified by FNS.

18100 Summary

SNAP Manual 4/01/88

The Food and Nutrition Act of 2008, as amended, mandates the procedures under which Supplemental Nutrition Assistance Program benefits may be reduced, suspended, or cancelled if adequate funding for the Program is not available. Any of these actions may be used for one or more months as deemed necessary by the Department of Agriculture, Food and Nutrition Service (FNS) and must equally affect all states participating in the program.

18200 Notification

SNAP Manual 4/01/88

FNS will notify the Department of Human Services (DHS) of any reduction, cancellation or suspension of benefits which is to occur. Notification will include the effective date of the action. Upon receipt of notification of reduction, suspension or cancellation of benefits, DHS will notify the county offices of the impending action. Depending upon the type of action and the effective date of the action, the county office will be notified via WMMA, SNAP Online Message Screen or Memorandum. This information must be immediately transmitted to all county office personnel directly or indirectly involved in the administration of the Supplemental Nutrition Assistance Program.

Information regarding the reduction, cancellation or suspension of benefits will be transmitted initially to recipients through mass communication (e.g., press releases, news conferences etc.). Individual notices will be automatically printed and issued to SNAP recipients and/or applicants prior to or at about the same time the reduction, cancellation, or suspension is reflected in their SNAP allotment.

FNS will subsequently notify DHS when the period of reduction, suspension and/or cancellation will end and normal issuance may resume.

18300 Allotment Reduction

SNAP Manual 4/01/88

When an allotment reduction is mandated, FNS will designate the months during which the reduction will occur, the percentage of reduction and the allotments to be affected. The reduction for currently certified cases will be handled automatically. Revised tables will be issued to be used in certification activities.

During any month in which a reduction is in effect, applications, change forms and monthly report forms will continue to be processed using the reduced maximum SNAP allotment. Unless otherwise ordered by FNS, one and two person households will continue to be issued a minimum monthly SNAP allotment of $10.

The reduced maximum allotment will not be used to calculate benefits for restorations or retroactive benefits for a prior, unaffected month. The original maximum allotment in effect for the prior, unaffected month will be used to calculate restorations and/or retroactive benefits. This is true even if these benefits are actually issued during a month when a reduction is in effect. For example, an application is approved during a month when a reduction is in effect. The application period includes the month prior to the month of approval. The household is eligible for retroactive benefits for the month prior to the month of approval and so the household's retroactive benefits will be based on the maximum SNAP allotment before the reduction.

18400 Suspensions and Cancellations

SNAP Manual 4/01/88

FNS is responsible for determining when SNAP benefits must be suspended or cancelled due to a lack of funding. In the event of such a decision, FNS must notify the state of the decision and must specify the effective date. Upon receipt of this notification, the state must immediately take the actions required to implement the suspension or cancellation. During any month in which a suspension or a cancellation is in effect, applications, change forms and monthly report forms will continue to be processed using normal procedures.

EXCEPTION: There are special time frames for processing expedited applications. See SNAP 9400 for an explanation of these time frames.)

No benefits will be issued until authorized by FNS. The $10 minimum benefit requirement for one and two person households will be disregarded, and benefits for all households will be suspended or cancelled. Allotments or portions of allotments representing restored or retroactive benefits for a prior, unaffected month will not be suspended or cancelled, even though they are to be issued during a month of suspension or cancellation. For example, an application is approved during a month in which a cancellation is in effect. The application period includes the month prior to the month of approval, and the household is eligible for retroactive benefits for this month. Since the cancellation was not in effect for the month prior to the month of approval, retroactive benefits only will be issued to the household.

18500 Expedited Services

SNAP Manual 4/01/88

Eligible expedited households which participate in the Supplemental Nutrition Assistance Program during periods of reduction will be issued SNAP based on the reduced maximum allotment in effect. These SNAP benefits must be issued to the household within the time frames specified in SNAP 9400.

During periods of suspension, applications from eligible, expedited households will be processed within the time frames specified in SNAP 9400. However, no SNAP allotments will be issued until the suspension is lifted.

Households eligible for expedited processing who apply during periods of Program cancellation will receive expedited service. However, there will be special processing timeframes. During periods of Program cancellation, expedited applications must be completed within two days or by the end of the month of application, whichever is later. No SNAP allotment will be issued during the month of cancellation.

All other procedures specified in SNAP 9100 will apply to expedited applications during periods of Program reduction, cancellation and/or suspension.

18600 Certification Periods

SNAP Manual 4/01/88

The reduction, suspension or cancellation of allotments in a specified month will have no effect on the certification periods assigned to households during that month. See SNAP 8700 for instructions on assigning certification periods.

18700 Restoration of Reduced, Cancelled or Suspended Allotments

SNAP Manual 4/01/88

Suspended benefits will be issued to eligible households at the conclusion of the period of suspension. Upon being notified by FNS that a suspension of benefits is over, the state must act immediately to resume issuing SNAP to eligible households.

Households whose SNAP allotments are reduced or cancelled as a result of the enactment of these procedures are not automatically entitled to a restoration of the benefits which were lost. However, FNS may determine that all or part of these benefits may be restored if a surplus of funds occurs at a later time.

18800 Fair Hearings

SNAP Manual 4/01/88

Any household that has its allotment reduced, suspended, or cancelled may request a fair hearing if it disagrees with the action.

If a request for a Fair Hearing disputes only the fact that the reduction, suspension, or cancellation was ordered, the request may be denied by the Fair Hearing Section. A hearing must be held when the household believes that its SNAP allotment was computed incorrectly under the reduction procedures or that the rules for implementing the reduction, cancellation and/or suspension were misapplied or misinterpreted.

During a period of reduction, cancellation or suspension, the household does not have a right to continuation of benefits pending the Fair Hearing decision.