

114 – INCOME AND BUDGETING

In addition to meeting the eligibility criteria, a household must also be financially eligible to receive cash assistance. While some income is counted, other income is excluded. Furthermore, income may be counted differently depending on who receives the income.

To encourage employment and self-sufficiency, family members who work are allowed standard work-related deductions which may allow the family to continue to receive Work First Cash Assistance for a period of time.

This manual section provides the information needed to determine if a family is financially eligible for Work First Cash Assistance and, if so, how to determine the amount of the family's Work First Cash Assistance benefit.

This section uses the following terms:

- **Gross Earned Income:** Amount of earnings received through wages or self-employment *before* taxes, social security, and other deductions are made by the employer.
- **Net Earned Income:** Income from earnings received through wages or self-employment *minus* any Work First Cash Assistance work-related deductions.
- **Net Unearned Income:** Amount of unearned income **actually received** by a budget unit member. **Exception:** If the income is being reduced to repay a federal or state tax or other debt or to pay child support obligations, count the income amount prior to these deductions. Do not allow deductions for tax or child support payments withheld.
- **Representative Income:** Indicates that there are no anticipated changes, and the verification represents the budget unit's expected income during the certification period

I. COUNTABLE INCOME OF HOUSEHOLD MEMBERS

Count all income available to a family with certain exceptions, which are shown in the chart below. Recipients of Supplemental Security Income (parent or child) are excluded from the budget unit. **Note:** Non-parent caretakers have the option to include half siblings in the same household when unearned income is received for one of the half-siblings and is not intended for both siblings. If the non-parent caretaker chooses to include a half sibling(s) any unearned income for the half sibling(s) would be countable towards the assistance unit.

Count the income of the following people if they reside in the **participant** household.

Member	Included Member	Excluded Member: Citizenship/ Immigration Status	Excluded member: SSI Recipient	Excluded Member: Other reasons
Parents (including biological, adoptive, step and emancipated minor parents)	Earned and unearned income	Earned and unearned income	Do not count any of their income	Earned and unearned income.
Children, including minor parents (not emancipated minors) and children subject to the family cap	Child's unearned income. Do not count a child's earned income.	Do not count any of the child's earned or unearned income.	Do not count any of their income.	Do not count any of their income. Exception: Failure to provide/apply for Social Security Number: count the child's unearned income.
Non-Parent Adult caretaker/Spouse of the non-parent adult caretaker	Do not count any of their income.	Do not count any of their income.	Do not count any of their income.	Do not count any of their income.

II. APPLYING FOR OTHER GOVERNMENT BENEFITS

Based on the interview with the household and/or information gathered from the Online Verification System (OVS), a **participant** may be potentially eligible for other government benefits. If a **participant** is potentially eligible for other government benefits such as Social Security Benefits, Veterans Benefits, or Supplemental Security Income, they are required to apply for these benefits.

A. Applying for UIB

A **participant** is required to apply for Unemployment Insurance Benefits (UIB) as a condition of eligibility. If the individual meets the monetary eligibility criteria, the individual must file a claim. The case manager must review the current wage data in OVS for the last 12 months (four quarters). Refer to the Job Aid Unemployment Information: Claim Status Codes Defined for additional guidance. The monetary determination criteria for potential UIB eligibility are:

1. The individual must meet the minimum 12-month base period (four quarters) requirement.
2. The minimum base period wage requirement is currently \$6,455.38 and is revised August 1st of each year.

The individual must file a claim by using one of the following methods:

1. Register online at des.nc.gov; or
2. Register by calling the DES Customer Call Center at 888-737-0259; or
3. Register in person at the local NC Works Career Center.

Once the claim is filed, the claimant will receive the NC CLM 550, Wage Transcript and Monetary Determination form. This form may be used to verify the filed claim.

A **participant** is not required to apply for UIB if the **participant** meets one of the following conditions:

1. Employed full-time as defined by the employer;
2. Registered for and attending school or on vacation during or between successive quarters or semesters;
3. Receiving or applying for benefits under any state or federal law based on temporary or permanent total disability;
4. Receiving a government or other pension, retirement, annuity, or other similar periodic payment that is more than the potential monthly UIB benefit;
5. Placed on disciplinary suspension by the employer. The **participant** is considered dismissed from the employment if there is a single disciplinary suspension that lasts more than 10 consecutive calendar days. The **participant** must then apply for UIB; or
6. Unavailable for work due to a medical condition, including childbirth, as verified by a health care provider's statement.

Refer to the Unemployment Information: Claim Status Codes defined Job Aid for guidance on how to read the OVS ESC claim status codes.

B. Procedures for Applications and Ongoing Cases

When the case manager determines a **participant** is required to apply for UIB or other government benefits, take the following actions.

1. Notify the **participant** via the [DSS-8146A](#), Notice of Information Needed to Determine Your Eligibility for Work First Family Assistance, of the requirement to apply for UIB or other government benefits. Give the **participant** 12 calendar days to apply.
2. Inform the **participant** that if a disability makes it difficult to apply for these benefits, the agency will assist the **participant** in applying for those benefits as a reasonable accommodation.
3. Ask the family if they need help and document the response and the type of help/reasonable accommodation requested, offered and/or provided, if any, in the case record.
4. The **participant** must provide verification they have applied for UIB. Verify the application for other government benefits by contacting the source. If unable to obtain verification from the source, accept the family's statement of application.
5. If the **participant** does not apply for UIB or other government benefits by the deadline date on the DSS-8146A, determine if there is good cause for the failure to do so.
6. If a **participant** is unable to complete the application for reasons related to a disability (such as difficulty with mobility, caring for a household member with a disability, or having a cognitive or learning disability that makes it difficult to read and complete the application), provide additional time to complete the application and provide agency assistance in doing so as a reasonable accommodation.
7. If there is not a determination of good cause for completing the requirement by the established deadline, deny the application. Refer to [Section 119](#) for good cause clarification.
8. If the family member applies for UIB or other benefits by the deadline set, but has not begun receiving benefits, do not consider as income until the family member receives the benefits.
9. Do not delay application processing or applying other changes for an ongoing case if the only outstanding verification is the amount of the UIB or other benefit. Set a task in NC FAST to review the case for receipt of the benefit(s). **Please see Job Aid titled: Creating Tasks.**

10. If the participant has applied for and has already begun receiving the UIB or other government benefit, process the application or apply changes to the ongoing case.

III. THE WORK FIRST PAYMENT CALCULATION

The Work First Cash Assistance payment is determined by subtracting the household’s total countable earned and unearned income from the Need Standard based on the number in the assistance unit. Subtract the total from the Need Standard for the number in the family unit. The payment is 50% of the difference unless there is recoupment and/or sanction. The recoupment amount is subtracted from the payment. The sanction percentage is taken from the payment. The following chart shows the Need Standard by the number in the budget/assistance unit.

NEED STANDARD BY NUMBER IN THE BUDGET/ASSISTANCE UNIT							
Number in Budget/Household Unit	1	2	3	4	5	6	7
Need Standard	\$362	\$472	\$544	\$594	\$648	\$698	\$746

Number in Budget/Household Unit	8	9	10	11	12	13	14
Need Standard	\$772	\$812	\$860	\$896	\$946	\$992	\$1,042

For each additional person in the budget unit, \$50.00 is added to the Need Standard.

If the difference is \$.01 to \$24.99, the household is ineligible to receive a Work First cash assistance payment. If a recoupment results in a payment of less than \$25.00, the recoupment amount is recalculated to ensure a \$25.00 payment.

IV. WHAT INCOME IS COUNTED

All income available to the family is counted in determining their eligibility for Work First Cash Assistance, unless otherwise noted. However, income is counted in various ways. The first chart lists possible sources of income, whether they are counted, how they are counted, and possible sources of verification.

The second chart lists possible sources of educational assistance and whether the income is counted. Refer to XV below for additional information on educational assistance that is countable.

Since it is not possible to list all types of income in these charts, the case manager may encounter income that is not listed here. If so, use prudent judgement and document the decision on how to count the income. The sources of verification

listed are possible sources. There may be other acceptable means to verify the income, including the family’s statement in some instances. The type of income must be verified to determine if it is countable.

Source of Income	Counted?	Income Type	Verifications
Active Corps Executives (ACE)	No		
Adoption Assistance	No		
Adult Developmental Activities Program (ADAP) Payments	No		
Agent Orange Payments	No		
Alaska Native Claims Settlement Act Payments	No		
Alien's sponsor's income	No		
Alimony/spousal support	Yes	Unearned	1. 230-EOM Report 2. Contribution Form DSS-8176 3. Contact the Clerk of Court 4. Contact the spouse
AmeriCorps stipend (living allowance)	No		
AmeriCorps childcare assistance	No		
Annuities	Yes	Unearned	1. Current check or stub 2. Contact the source
Baby-sitting	Yes	Earned	If self-employed, see Self-employment verification If wages, see wages verification

Basic Allowance for Quarters (BAQ [military])	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
Basic Allowance for Subsistence (BAS [military])	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
Bingo winnings	Yes	Unearned	<ol style="list-style-type: none"> 1. Copy of check 2. Copy of award letter 3. Tax forms 4. Contact the source
Black Lung Benefits	Yes	Unearned	<ol style="list-style-type: none"> 1. Current check 2. Award letter 3. Contact the Social Security District Office 4. Contact the U.S. Dept. Of Labor, Black Lung District Office
Boarders	Yes	Earned	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources
Bonus pay (regularly or paid once a year)	Yes	Earned	<ol style="list-style-type: none"> 1. Wage check or stub 2. Wage Verification Form DSS-8113 Contact the employer
Brown Lung Benefits	Yes	Unearned	<ol style="list-style-type: none"> 1. Current check 2. Current award letter 3. Contact the Industrial Commission
Campaign contributions	No		

Capital gains from business	Yes	Earned	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources
Career Sea Pay (military)	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES)
Census Worker (Permanent)	Yes	Earned	<ol style="list-style-type: none"> 1. Wage stub or check 2. Wage Verification Form 3. Contact the employer
Census Worker (Temporary)	No		
Child support (all types) (For additional information on how to count child support, see XIII. below.)	Yes	Unearned	<ol style="list-style-type: none"> 1. Contribution Form DSS-8176 2. Contact the Clerk of Court 3. Contact the absent parent 4. ACTS Inquiry
Clothing Maintenance Allowance (CMA [military])	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
College Work Study Program administered under Title IV of the Higher Education Act or the Bureau of Indian Affairs (BIA)	No		
College Work Study Program not administered under Title IV of the Higher Education Act or the Bureau of Indian Affairs	Yes	Earned (Deduct expenses. See XV. below.)	<ol style="list-style-type: none"> 1. Award letter 2. Contact the educational institution
Commissions	Yes	Earned	<p>If self-employed, see Self-employment verification</p> <p>If wages, see wage verification form</p>
Community Development Block Grant (CDBG) Funds	No		
Contributions (For additional information on how to count contributions, see XIII.)	Yes	Unearned	<ol style="list-style-type: none"> 1. Contribution Form DSS-8176 from contributor 2. Contact the contributor

Cosmetology	Yes	Earned	If self-employed, see Self-employment verification If wages, see wage verification
Court ordered restitution	Yes	Unearned	1. Current check or stub 2. Contact the Clerk of Court 3. Legal documents 4. Contact attorney
CP&L (Project Share) Payments	No		
Crisis Intervention Program (CIP) Payments	No		
Disability payments that are provided through a private insurer and the individual is no longer employed	Yes	Unearned	1. Award letter 2. Check 3. Contact the insurance company
Disability payments that are totally employer funded and the individual remains employed	Yes	Earned	1. Wage stubs 2. Wage Verification Form DSS-8113 3. Contact the employer
Disaster Assistance	No		
Dividends	Yes	Unearned	1. Current dividend check 2. Dividend statement 3. Contact the stockbroker or brokerage firm 4. Contact the company paying the dividends
Earned Income Tax Credit (federal and/or state)	No		

<p>Educational assistance (All Types) (See the chart on types of educational assistance that begins immediately after this chart.)</p> <p>Energy Assistance</p> <p>Experimental Housing Allowance Program (EHAP) Payments</p>	<p>Depends On the Source</p> <p>No</p> <p>No</p>	<p>If counted, Unearned</p>	<ol style="list-style-type: none"> 1. Award letter 2. Campus based budget form 3. Student Income Verification Form 4. Contact the school 5. Contact the provider 6. Bills/receipts
<p>Family Subsistence Supplemental Allowance (FSSA [military])</p>	<p>Yes</p>	<p>Earned</p>	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
<p>Farm income (If self-employment, see VIII. Below for additional information on how to count self-employment income.)</p> <p>Federal Emergency Management Act (FEMA) Payments</p> <p>Federal Employees Compensation Act (FECA) Benefits</p> <p>Food and clothing contributions</p>	<p>Yes</p> <p>No</p> <p>Yes</p> <p>No</p>	<p>Earned</p> <p>Unearned</p>	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources 1. Copy of check or stub 2. Award letter 3. Tax forms
<p>Food assistance</p> <p>Food Stamps</p> <p>Foster Care</p> <p>Foster Care supplements over the State maximum payment</p> <p>Foster-Grandparents</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>		

Gambling	Yes	Unearned	<ol style="list-style-type: none"> 1. Copy of check 2. Copy of award letter 3. Tax forms 4. Contact the source
Gaming Proceeds, per capita proceeds to members of the Eastern Band of the Cherokee Nation semi-annually, usually in June and December (prorate over the six-month period between payments)	Yes (Payments to minors go into a trust and are not counted.)	Unearned	<ol style="list-style-type: none"> 1. Obtain a copy of the check. 2. Obtain a copy of the award letter. 3. Contact the source at: Eastern Band of Cherokee Indians P. O. Box 455 Cherokee, NC 28719 (704) 497-3705
General Assistance (GA) Payments	No		
Gifts (monetary) that are for specific verifiable special occasions.	No		
Houlton Band of Macisett Indian Payments	No		
Housing and Urban Development (HUD) Payments	No		
Housing Improvement Grants	No		
In-kind income or contributions	No		
Income Tax Refund (Federal and State)	No		
Independent Living Initiatives of Title IV-E of the Social Security Act (payments or services provided)	No		
Indian Tribe Payments under P. L. 97.458 & 98.64	No		

Inheritance	Yes	Unearned	<ol style="list-style-type: none"> 1. Copy of the will 2. Contact the executor or administrator of the estate 3. Contact the Clerk of Court 4. Contact the probate lawyer
Insurance settlements (except for lump sums)	Yes	Unearned	<ol style="list-style-type: none"> 1. Settlement check 2. Contact the lawyer who handled the settlement 3. Contact the insurance company
Interest income (if paid to the family)	Yes	Unearned	<ol style="list-style-type: none"> 1. Current account statement 2. Request for Financial Information Form (DSS-3431)
Job Corps (See WIOA)	No		
Job Training Partnership Act (JTPA) See Workforce Investment Act, below.			
Jump Pay (Military)	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification DSS-8113
Jury Duty payments	Yes	Earned	<ol style="list-style-type: none"> 1. Check or stub 2. Contact the Clerk of Court
Leave Rations (military)	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
Loans (if repayment plan shows when the loan will be repaid)	No		

Longevity Pay	Yes	Earned	<ol style="list-style-type: none"> 1. Check or stub 2. Contact the employer
Lottery winnings – if paid other than as a lump sum	Yes	Unearned	<ol style="list-style-type: none"> 1. Check 2. Award letter 3. Tax forms 4. Contact the source
Low-Income Energy Assistance Program (LIEAP) Payments	No		
Lump-sum payments (For additional information on how to count lump-sum payments, see XV. below.)	Yes, for Apps., count in month of receipt	Unearned	<ol style="list-style-type: none"> 1. Check 2. Letter from provider 3. Signed statements 4. Bill of sale
Migrant income	Yes	Earned	<ol style="list-style-type: none"> 1. Check stub or DSS-8113 2. Contact the Employment Service; Farm Labor Bureau; Rural Manpower Development; Farmer's Cooperative Service; Grower's Association; Migrant Service Organizations; county agent; or the individual growers and crew chiefs. 3. Use records that show: each day's income and hours worked, and signature of the grower or crew chief.
Military Allotments	Yes	Unearned	<ol style="list-style-type: none"> 1. Current check or stub 2. Award letter 3. Contact commanding officers of military payment information centers (Attach a letter authorizing the release of the information.)
Military Allotments received as child support. (For additional information on how to count military allotments received as child support, see XII. below.)	Yes	Unearned	<ol style="list-style-type: none"> 1. Current check or stub 2. Award letter 3. Contact commanding officers of military payment information centers (Attach a letter authorizing the release of the information.)

Military Pay	Yes	Earned	1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
Monthly disbursements from a trust fund	Yes	Unearned	1. Contact the administrator/executor of the fund 2. Contact the lawyer
National School Lunch Act	No		
Notary Public fees received	Yes	Earned	1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources
Nutrition Program for the Elderly, Of the Older Americans Act Of 1965	No		
On-the-Job-Training (OJT) Payments	Yes	Earned	1. Wage stub or check 2. Contact the source
Paid Work Experience (Generally through Welfare-to-Work)	Yes	Earned	1. Wage stub or check 2. Contact the source
Passamaquoddy Indian Tribe Payments	No		
Pay advances	Yes	Earned	1. Wage stub or check 2. Wage Verification Form DSS-8113 3. Contact the employer
Pell Grants	No		1. Award letter 2. Contact educational institution
Penobscot Nation Indian Payments	No		

Pensions	Yes	Unearned	<ol style="list-style-type: none"> 1. Pension check or stub 2. Award letter 3. Contact the organization providing the benefits 4. Tax records
Private unemployment benefits	Yes	Unearned	<ol style="list-style-type: none"> 1. Check or stub 2. Award letter 3. Contact the company paying the benefits
Public Service Employment (PSE)	Yes	Earned	<ol style="list-style-type: none"> 1. Wage stubs 2. Wage Verification Form DSS-8113 Contact the employer
Radiation Exposure Compensation Act Payments	No		
Railroad Retirement	Yes	Unearned	<ol style="list-style-type: none"> 1. Railroad Retirement check 2. Award letter 3. Contact a representative of the Railroad Retirement Board (See listing in RMDS.)
Reimbursements (for out-of-pocket expenses other than normal living expenses such as rent, mortgage, personal clothing, or food eaten at home.)	No		
Relocation payments	No		
Rental income (treat as self-employment income, see IX. below)	Yes	Earned	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources

<p>Representative payment (payment received by one individual on behalf of another individual) – Income is available for the family.</p> <p>Representative payment (payment received by one individual on behalf of another individual) – Income is not available for the family.</p> <p>Restitution under the Civil Liberties Act Of 1988</p>	<p>Yes</p> <p>No</p> <p>No</p>	<p>See specific income type</p>	<p>See specific type of income for verifications</p>
<p>Retirement benefits</p> <p>Retired Senior Volunteer Program (RSVP)</p> <p>Reverse mortgages</p> <p>Roomers</p>	<p>Yes</p> <p>No</p> <p>No</p> <p>Yes</p>	<p>Unearned</p> <p>Earned</p>	<p>1. Retirement check</p> <p>2. Award letter</p> <p>3. Contact the company or business paying the benefits</p> <p>1. Tax records</p> <p>2. Business records</p> <p>3. Bills/receipts</p> <p>4. Records from banks, suppliers, or other knowledgeable sources</p>
<p>Sale of blood or plasma (Considered self-employment)</p> <p>Scholarships (For additional information on how to count scholarships, see XIV. below.)</p>	<p>Yes</p> <p>Yes</p>	<p>Earned</p> <p>Unearned</p>	<p>1. Tax records</p> <p>2. Business records</p> <p>3. Bills/receipts</p> <p>4. Records from banks, suppliers, or other knowledgeable sources</p> <p>1. Award letter</p> <p>2. Contact the source</p>

Sea Duty Pay (military)	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Completed Wage Verification Form DSS-8113
Seasonal employment	Yes	Earned	<p>If self-employed, see Self-employment verification.</p> <p>If wages, see wage verification</p>
Section 8 (HUD)	No		
Self-employment (For additional information on counting self-employment, see IX. below.)	Yes	Earned	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources
Selling recyclables	Yes	Earned	<ol style="list-style-type: none"> 1. Tax records 2. Business records 3. Bills/receipts 4. Records from banks, suppliers, or other knowledgeable sources
Senior Companions Payment Program (Title II)	No		
Senior Community Service Employment Program (SCSEP), Title V	No		
Separate Rations (military)	Yes	Earned	<ol style="list-style-type: none"> 1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Completed wage verification Form DSS-8113
Service Corps of Retired Executives (SCORE) Payments	No		

Severance Pay	Yes	Unearned	<ol style="list-style-type: none"> 1. Wage stub or check 2. Wage Verification Form DSS-8113 3. Contact the employer
Shared expenses	No		
Shelter, utilities, and household furnishings made available at no cost	No		
Sick pay	Yes	Earned	<ol style="list-style-type: none"> 1. Wage stub or check 2. Wage Verification Form DSS-8113 3. Contact the employer
Social Security Benefits - Count the net social security benefit amount that appears on the BENDEX record. NOTE: When the payment is being reduced due to federal offset to repay a federal debt, offset information will not appear on BENDEX, but may appear on an individual's award letter. Use the BENDEX record as verification of the correct net benefit amount. (If a Medicare premium is being deducted, add the premium amount to the net benefit amount. Count this total as unearned income.)	Yes	Unearned	<ol style="list-style-type: none"> 1. BENDEX Inquiry 2. Third Party Query (TPQY) 3. BENDEX Data Exchange Report 4. Current Social Security check 5. Current award letter
Spousal support	Yes	Unearned	<ol style="list-style-type: none"> 1. 230-EOM Report 2. Contribution Form DSS-8176 3. Contact the Clerk of Court 4. Contact the spouse
Sponsor Income	No		

State Earned Income Tax Credit (SEITC)	No		
SSI (Supplemental Security Income)	No		
Stipends for students	Yes	Unearned	<ol style="list-style-type: none"> 1. Check or stub 2. Award letter 3. Contact the educational institution
Surplus Commodities	No		
Tax intercept payments (support) (For more information on child support, see XII. below.)	Yes	Unearned	<ol style="list-style-type: none"> 1. ACTS Inquiry 2. Contribution Form DSS-8176 3. Contact the Clerk of Court 4. Contact the spouse
Telamon Payments	Yes	Earned	<ol style="list-style-type: none"> 1. Check or stub 2. Contact the Telamon Office 3. Wage Verification Form DSS-8113
Tips	Yes	Earned	<ol style="list-style-type: none"> 1. Wage stubs 2. Wage Verification Form DSS-8113 Work First Family Assistance Report 4. Contact the employer 5. Client's records
Trade Readjustment Benefits	Yes	Unearned	<ol style="list-style-type: none"> 1. Current check 2. Current award letter 3. Contact the local Employment Security Commission (ESC) Office
Travel reimbursement paid from an employer to an employee for travel expenses while working for the employer	No		

Uber/Lyft/Door dash or any similar ride share business. (Self-Employment)	Yes	Earned	1099 MISC Form
Unemployment Insurance Benefits (UIB)	Yes	Unearned	1. ESC/UIB Inquiry 2. Current UIB check 3. Current award letter
Unlicensed Kinship Placements Payments for Caretakers in Child Only Cases . (<i>This payment is considered unearned income to the case head.</i>)	No		
Unlicensed Kinship Placement Payments in Adult included/Work First Benefit cases . (<i>For example: Case including biological children and relative placement</i>)	Yes	Unearned	1. Letter from Children's Services staff outlining amount received.
Uniform Relocation Assistance and Real Property Acquisition Act Of 1970	No		
Vacation Pay	Yes	Earned	1. Wage check or stub 2. Completed Wage Verification Form (DSS-8113) 3. Contact the employer
Variable Housing Allowance (VHA) [military]	Yes	Earned	1. Leave and Earnings Statement (LES) 2. Wage stubs 3. Wage Verification Form DSS-8113
Vendor payments	No		
Veteran's Administration Educational Assistance Program/ G.I. Bill (only what is used for educational purposes)	No		

Veterans Administration (VA) Benefits	Yes	Unearned	1. Contact the VA Regional Office Claims Division at 1-800-827-1000 2. Current VA benefit check 3. Current award letter 4. Contact the local VA service office
Vocational Rehabilitation (VR) Incentive Payments (if a training program is in effect.	No		
Volunteers in Service to America (VISTA)	No		
Wages	Yes	Earned	1. Wage stubs 2. Wage Verification Form DSS-8113 3. Work First Family Assistance Report 4. Contact the employer
Witness pay	Yes	Unearned	1. Check or stub 2. Contact the Clerk of Court
Workforce Investment Opportunity Act (Formerly, JTPA) paid to an <i>adult</i>	Yes	Earned	1. Check, or stub, or DSS-8113 2. Contact WIOA
Workforce Investment Opportunity Act (WIOA) (Formerly, JTPA and WIA) paid to a child,	No		
Work First Employment Services payments made to someone other than the participant but made on the participant's behalf (Example, childcare payments made to the participant's sister who is also receiving Work First Cash Assistance – Count the childcare as income for the sister.)	Yes	Earned	If self-employed, see Self-employment verification. If wages, see wage verification

Work Release (For additional information on how to count Work Release, see XIV. below.)	Yes	Unearned	1. Check or stub 2. DC-190 from the Dept. of Correction 3. Work Release Check List 4. Contact the Dept. of Correction
Worker's Compensation provided through a private insurer, or the individual is no longer employed	Yes	Unearned	1. Award letter 2. Current check 3. Contact the provider or insurance company
Worker's Compensation that is totally employer funded and the individual remains employed	Yes	Earned	1. Check or wage stub 2. Award letter 3. Contact the company where the person is employed or its insurance company 4. Contact the lawyer

The following is a list of potential sources of educational assistance and whether they are counted in Work First Cash Assistance. Possible sources of verification for the educational assistance listed below include award letters, contacts with the agency that administers the assistance, and contacts with the educational institution. See XVI. below for additional information regarding countable educational assistance.

Basic Educational Opportunity Grants (BEOG and PELL Grants)	No
Bilingual Materials, Methods, and Techniques Program	No
Bilingual Vocational Instructor Training Program	No
Bilingual Vocational Training Program	No
Blue Ribbon Vocational Education Program	No
Business and Education Standards Program	No
Carl D. Perkins Vocational and Applied Technology Education Act	No
College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work	No
Community Education Employment Center Program	No
Cooperative Demonstration Programs	No
Demonstration Centers for the Training of Dislocated Workers Program	No

Education Lottery Scholarship (ELS) (Grant)	No
Educational Programs for Federal Correctional Institutions	No
Federal Family Education Loan Program (formerly GSL)	No
Grants Administered by the Bureau of Indian Affairs	No
High School Equivalency Program (HEP)	No
Income Contingent Loan (Eff. 7/1/87) (Title IV)	No
Indian Vocational Education Program	No
Internships for Gifted and Talented Vocational Education Students Program	No
Materials Development in Telecommunications Program	No
Model Programs of Regional Training for Skilled Trades (Carl Perkins)	No
National Center or Center For Research in Vocational Education	No
National Early Intervention Scholarship and Partnership Program	No
National Network for Curriculum Coordination in Vocational and Technical Education	No
National Tech-Prep Education Program	No
Native Hawaiian Vocational Education Program	No
PELL Grants	No
PLUS Loans for Parents	No
Presidential Access Scholarships (Super PELL Grants)	No
Source of Income	Counted
Robert E. McNair Post-Baccalaureate Achievement	No
Robert T. Stafford Student Loans	No
Scholarships Offered by Civic Groups	Yes
Scholarships Offered by Institution	Yes
Sports Scholarships	Yes
State Student Incentive Grants	No

State Vocational and Applied Technology Education Program which contains the: <ul style="list-style-type: none"> • State Program and State Leadership Activities; • Program for Single Parents, Displaced Homemakers, and Single Pregnant Women; Sex Equity Program; • Programs for Criminal Offenders; Secondary School Vocational Education Program; Post secondary and Adult Vocational Education Program; • State Assistance for Vocational Education Support Programs by Community-Based Organizations; Consumer and Homemaking Education Program; Comprehensive Career Guidance and Counseling Program; and • Business-Labor-Education Partnership for Training Program 	No
State-Administered Tech-Prep Education Program	No
Student Support Services (Title IV)	No
Supplemental Educational Opportunity Grants (SEOG)	No
Supplemental Loans for Students (Title IV)	No
Supplementary State Grants for Facilities and Equipment and Other Program Improvements Activities (Carl Perkins)	No
- T -	
Tribally Controlled Post-Secondary Vocational Institutions Program	No
TRIO Grants (Go to organizations or institutions for students from disadvantaged backgrounds.)	No
Upward Bound (some stipends go to students)	No
Vocational Education Dropout Prevention Program	No
Vocational Education Leadership Development Awards Program	No
Vocational Education Lighthouse Schools Program	No
Vocational Education Research Program	No
Vocational Education Training and Study Grants Program	No
Vocational Educator Training Fellowships Program	No

V. BUDGETING INCOME

When a family reports income, verify and document the income and determine the payment amount by projecting income following the instructions below.

When projecting income, the **case manager** will use income that represents the client’s anticipated income. Representative income means that there are no anticipated changes, and the verification represents the budget unit’s expected income during the certification period.

A. Prospective Budgeting

Budget all prospective income when determining the Work First Cash Assistance payment. The payment for a month is based on

the income projected to be received in that month and, therefore, reflects as accurately as possible the family's need for that month.

For example, July's Work First cash assistance payment is based on the income projected to be received in July.

B. Base Periods

Base periods are the periods of time that are the basis for determining income eligibility. The base period:

- establishes a set time period for **case managers** to create a “snapshot” of a budget unit’s income.
- should be an accurate representation of the income the household is expected to have available during the *certification period*.

Budget ongoing income using information from the base period to estimate the projected income for future months. Use the following base periods:

1. **One Month:** The base period for most income is the month prior to the month of application or recertification.
2. **Three Months:** The base period for the following types of income is three months prior to the month of application, recertification, or the quarterly report:
 - child support,
 - spousal support and alimony

For Work First Cash Assistance, add the months together and divide by 3.

3. **Twelve Months:** If the income is received annually or from **self-employment**, the base period is 12 months.

Exception: If client has been self-employed for less than 12 months, use months in business, if representative.

NOTE: If a full month of actual income is available for any month, budget the actual income for that month. (This may happen at application or administrative reopen.) Enter this income as actual income in the budget. NC FAST does not convert this income. For guidance on entering income evidence refer to the FAST Help Income & Expense Evidence Wizards-Income Support Job Aid.

Base Periods for Nonrepresentative Income

When determining a base period for nonrepresentative income:

1. Explore alternative budgeting methods for projecting or averaging income.
2. Determine which budgeting method is the most representative estimate of the budget unit's income over the certification period.
3. Project income using the best available information about the number of hours, rate of pay, and frequency of pay expected to be received over the certification period.
4. If you use an alternate budgeting method, you must document why the base period is not representative and how you determined what is.

All income shall be counted in the calendar month the household receives the income unless otherwise stated.

C. Evaluating Base Period Income

Income received in the base period must be verified. Once income information from the base period has been identified and verified, the case manager must determine whether this income is representative of the income expected to be received during the month(s) for which eligibility is being determined.

Examples of determining Base Periods:

1. Application is received on March 5. Applicant is receiving ongoing income from earned wages. What is the base period?
 - February 1- February 28 if the income is representative and anticipated.
2. Application is received on June 29. Applicant is receiving ongoing child support. What is the base period?
 - The base period is the full three months prior: March, April, and May if the income is representative and anticipated.
3. Application is received on October 8. Applicant is receiving SSA each month. What is the base period?
 - September 1 – September 30 if the income is representative and anticipated.
4. Application is received on December 12. Applicant is receiving ongoing earned income wages; they are paid monthly. What is the base period?
 - November 1- November 30 if the income is representative and anticipated.
5. Application is received on July 16. Applicant has been self-employed for 18 months. What is the base period?

- June - July (12 months prior to application) if the income is representative and anticipated.

If the base period income is not representative, do not use it to project income. If there is new, terminated or changed income during or after the base period, the base period income may not be representative, and the case manager must move the base period forward and adjust the income. See VI. below.

If a pay period in the base period is uncharacteristically high or low, determine how often such occurrences can be expected and document the decision whether to count the nonrepresentative pay period in budgeting.

Example: A Work First applicant is paid weekly and has pay stubs for July, the base period, as follows:

Pay:	Date:
\$ 80.00	July 5
\$ 0.00	July 12
\$ 75.00	July 19
\$ 100.00	July 26

The applicant states she received no income the week of July 12 due to the annual closure of the company which is not expected to occur again until next July. The applicant also states that the variation between the \$75.00 and \$100.00 amounts is typical of the variation that normally occurs from week to week. Document the reason for the zero-pay period in the case record and use the other three payment amounts to project ongoing income beginning in August.

$\$ 80.00 + 75.00 + 100.00$	$= \$255.00$	Actual July Income
$\$255.00 \div 3$	$= \$85.00$	Weekly Average
$\$85.00 \times 4.3$	$= \$365.50$	Projected Monthly Income

NOTE: To determine when income that is mailed is received, direct deposit transmissions generally require a processing time of two (2) business days once the payment is disbursed from the Custodial Parents (CP) participant account.

EXAMPLE: If a child support payment is disbursed from the CP's participant account on Monday, the payment is deposited into the CP's account on Wednesday. However, the processing time can be longer than two (2) business days for smaller banks, and it also can be affected by the holidays, give three mailing days. To determine when income that is paid by electronic fund transfer

(EFT) is received, give two business days from the date of authorization by the payer. However, for income that is mailed or transferred by EFT; accept the family's statement of when they received the income if they state they received the income earlier.

D. Computation of Income

Enter the income received in NC FAST to calculate a family's projected income. NC FAST averages the income from each pay or benefit period and converts it to a monthly amount. The income is converted to a monthly

amount according to the frequency of receipt. The automated budget multiplies the averaged amount by:

- 4.3 if the income is received weekly.
- 2.15 if the income is received biweekly (every two weeks).
- 2 if the income is received twice a month.
- 1 if the income is received monthly.

For guidance on how to enter income in NC FAST refer to Income & Expense Evidence Wizards-Income Support Job Aid.

To compute a monthly income amount, enter the base period amounts and the correct indicator for the frequency of receipt into NC FAST. Enter this income in NC FAST until the next Work First Family Assistance Report or change in income, whichever occurs first.

EXAMPLE 1: Ongoing Case - The following earned income is reported on the Work First Family Assistance Report.

Pay:	Date:
\$ 125.00	April 2
130.00	April 9
110.00	April 16
150.00	April 23
100.00	April 30

Enter **each** amount in NC FAST and the indicator for weekly income. The automated budget averages the income and multiplies it by 4.3 to get a monthly amount. Continue to count this income until the next Work First Cash Assistance Report or change in income, whichever occurs first.

EXAMPLE 2:

The family is receiving ongoing Work First Cash Assistance. The family has ongoing UIB. The family reports on the Work First Family Assistance Report returned in May that they received \$150 on April 12 and \$150 on April 26. This is verified by viewing OVS. Enter both amounts in NC FAST along with the indicator reflecting payment is received weekly. Continue to count this income until the next Work First Family Assistance Report or change in income, whichever occurs first.

VI. BUDGETING NEW OR CHANGED INCOME

When a family has new or changed income during or after the base period, the base period income is not representative of expected income. Do not use base period income to determine eligibility or payment amounts.

A. Changed versus Fluctuating Income

Income is fluctuating when it changes slightly but the fluctuation does not represent an ongoing change and is not representative of a change in income anticipated during the period for which eligibility is being determined. For example, if an employee's weekly income fluctuates due to variations in the number of hours scheduled and the scheduled hours are as likely to go up as to go down, the income is fluctuating. Do not re-budget income based on normal fluctuations in income.

B. Changed Income

A change in income is:

1. A change in the rate of pay.
2. An increase or a decrease in the award, court ordered, or agreed upon amount for unearned income (child support, contributions, SSA, VA, etc.) or a change in the actual amount received for contributions or child support).

NOTE: When there is a change in the award, court ordered, or agreed-upon amount of child support, the case manager must evaluate whether it is reasonable to expect the actual amount received to change.

3. An ongoing change in the number of work hours for earned income.
4. A new source of earned or unearned income.
5. A terminated source of earned or unearned income.

6. SSI Termination – Counties must monitor the SSI Termination/Alert Detail Report (located in NC FAST under Reports), to ensure any required family members that are terminating SSI are included in the Work First Assistance Unit. If appropriate, immediately add the individual to the Work First Assistance payment.

When a family experiences a change in income, they must report the change within 10 calendar days of when they know about the change. The change should be verified and documented on the Verification of Change in Situation form (DSS-1662). Make the change in the benefits as early as the month following the month of change, but no later than the second month following the month of change.

Changes are effective the month after the month in which the 10-day notice expires unless the family waives their right to the 10-day notice. This requires a written statement from the participant.

Example: The case manager is notified on March 10 that a participant began working. The case manager must verify the new wages, send a timely notice, and enter the change into NC Fast to be effective no later than May 1.

If a family fails to report a change within 10 days of knowing of the change, without good cause, the family is not complying with their MRA-A and will make the entire family ineligible for a Work First Cash Assistance payment for one month or until compliance, whichever is later. For non-compliance with the MRA, a sanction is applied to the Work First payment. See Work First Policy Section 120 for applying the sanction procedures. and the Creating or Disregarding an Active Sanction Job Aid.

C. Special Instructions Regarding Temporary Agency Employment

Individuals employed by temporary agencies may begin, end, and change assignments on a sporadic basis. Although they may work at different locations and perform different duties, they remain employed by the same employer—the temporary agency. The case manager will have to decide on a case-by-case basis whether to treat the situation as a change in income, terminated income, or new income. The case manager must outline in the case documentation the decision made and steps the case manager took to arrive at the decision.

Temporary workers may experience a period between assignments when they have no income. If they begin a new assignment within a few days of an assignment ending, the case

manager might consider the days without pay as a fluctuation that does not require action.

However, if an assignment ends and a new assignment appears unlikely, or cannot be expected within a short period, then the income that is projected in the ongoing budget is not representative of what the family can expect in the upcoming month(s). In this situation, adjust the Work First income budget to reflect a reduction in anticipated income.

Factors to consider are the employee's history with the temporary agency, overall work history, and marketable skills and experience. The case manager may want to contact the agency and ask about the number of placements they expect to have soon that might match the employee's skills.

When a temporary worker reports a new assignment that reflects a change in the ongoing number of hours or rate of pay, treat this as a change in income as described in B. above.

D. What to do when a family reports New or Changed Income?

If the family reports new or changed income, verify, and document the new income. To determine and document the new income, follow the instructions below.

NOTE: The family is required to report all changes within 10 calendar days of knowing of the change.

1. Verify the amount the family expects to receive each pay or benefit period.
 - a. The family is responsible for providing verification of income. If the family needs assistance in obtaining verification, this must **be provided by the case manager**. To be entitled to reasonable accommodation for a disability, a caretaker need not be receiving or be eligible for SSI or other disability benefits.
 - b. Set a deadline for families to return verification of earned and unearned income. See the chart in III. above for possible sources of verification.
 - c. For ongoing cases, if the family does not provide verification of earned or unearned income by the deadline set, send a timely notice to terminate assistance. **It is ultimately the responsibility of the**

family to provide verification; however, the case manager must expend all options to obtain and assist with obtaining the information prior to termination. An example would be the case manager calls the employer directly to obtain wage information.

- d. For applications, if the family does not provide verification of earned or unearned income by the deadline, see Cash Assistance Application Process and Procedures (Manual Section 104) for instructions.
2. **Project the new income.**
 - a. **To project earned income, take the following steps.**
 - (1) Determine the:
 - Hourly rate of pay;
 - Number of hours per pay period;
 - Frequency of pay, i.e., weekly, biweekly, semimonthly, or monthly; **and**
 - Expected date of pay.
 - (2) Multiply the hourly rate by the number of hours in the pay period. Use this total to project the income.
 - b. **To project unearned income, take the following steps.**
 - (1) Determine:
 - The benefit amount;
 - Frequency of the benefit; and
 - Expected date of receipt.
 - (2) Use the expected benefit amount to project the income.
 3. **Enter the projected income into the automated budget in NC FAST.**

- a. **If a full month of income will not be received,** enter the projected amount in the automated budget the number of times it is expected to be received. Enter the actual monthly income in NC FAST. NC FAST does not convert this to a monthly amount.

- b. **If a full month's income is going to be received,** enter the projected amount and the frequency of receipt in the automated budget. NC FAST converts this to a monthly amount.

EXAMPLE:

Ongoing Work First Cash Assistance case with a family member who goes to work in March. The employer verifies the family member is paid \$8.00 an hour and is expected to work 25 hours in the first pay period. The family member will receive his first pay April 5. The family member will normally work 40 hours a week. The family member is paid weekly and will be paid four times in April.

<p>1. \$8.00 X 25 <u> </u> \$200 (projected 1st pay)</p>	<p>2. 8.00 x 40 <u> </u> \$320 (projected ongoing weekly pay)</p>
<p>3 \$320 <u> X3 </u> \$960 (projected remaining April pay)</p>	<p>4. \$200 <u>+960</u> \$ 1160 (projected April total pay)</p>

Use \$1160 for April's budget. Enter this amount as actual income in the NC FAST. NC FAST does not convert this income.

Enter \$320 for May's budget and ongoing months until a Work First Family Assistance Report is received, or the family reports a change. Enter the indicator for wages received weekly. NC FAST converts this income to a monthly amount.

VII. BUDGETING TERMINATED INCOME

If the family reports that income has terminated or is scheduled to terminate during or after the base period, follow the instructions below.

- A. Verify the family member's terminated income.

- B. If the income has terminated and the last pay or benefit was received prior to the date of application, **do not count the income.**
- C. Do not count terminated income in any month following the month in which the last income is received. (For example: If the last pay is received in August, do not include the income in a budget for September or October.)
- D. If actual income is available for the month income terminates, budget the actual income for that month. Enter this as actual income in NC FAST. NC FAST does not convert this income.
- E. If a full month's income is not expected to be received, budget the amount that is expected, and document that this is actual income.

EXAMPLE 1

A family applies for Work First Cash Assistance March 15. A family member receives UIB of \$100 every week. The family reports the UIB is terminating and that they will receive one more UIB payment of \$100 in April.

The application is processed on March 25. Use the actual income of \$200 in March's payment calculation. Use the actual income of \$100 in April's payment calculation. Do not count any UIB for May or for any ongoing months.

EXAMPLE 2

A family is receiving ongoing Work First Cash Assistance. The family reports April 15 that a family member's employment ended April 12. The family member expects to receive the last pay May 6. **The family member** will receive only one pay in May. The employer verifies that the family member is paid \$8.00 an hour and will be paid for 20 hours in his last pay.

\$ 8.00
x 20

—————
\$ 160.00

Budget \$160 for the month of May.

VIII. BUDGETING CONTRACT INCOME

Contract income is money paid to an individual, such as a teacher, based on a verbal or written agreement.

- A. Prorate the contract income over the period the contract is intended to cover.** Divide the contract amount by the number of months it is intended to cover. Enter this amount as actual income. It is not converted. Continue to count this income if the contract is in effect.

EXAMPLE

Teachers generally sign a 12-month contract with the school system by which they are employed. Divide the income specified in the current contract by 12 to determine the monthly gross income. Use 12 months to annualize income even if the teacher receives the income over only 10 months. If the income has been averaged over 12 months and the employment ends after he or she has been paid the full contract amount, continue to count the average monthly amount as income for the remainder of the 12-month period. This may also apply to other school employees.

- A. If the contract income is paid on an hourly or piecework basis, verify the income received during the base period.** Use this income as a monthly amount. Do not convert the income.

NOTE: For school employees not on contract, the case manager should read the end of the school year as a change in hours of employment. If they return to the same job at the beginning of the next school year, treat this as another change in hours of employment (not as a new job).

IX. ANNUALIZED SELF-EMPLOYMENT INCOME

Annualized self-employment is defined as self-employment where the income is received less often than monthly and is intended to be the annual support for the family. Examples include farming and certain fishermen.

- A. To project this income:**
1. Obtain income verification for the previous 12 months or, if the business has been in operation less than 12 months, the number of months the business has been in operation.
 2. Obtain verification of business expenses for the previous 12 months or, if the business has been in operation less than 12 months, the number of months the business has been in operation.

3. Enter the income and expenses for each month in NC FAST.
4. Continue counting this income until the next review unless there is a change. If there is a change, follow instructions in B. below.

NOTE: For Work First Cash Assistance reporting cases with annualized self-employment **do not recalculate the gross countable income at each Work First Family Assistance Report.** As Work First Family Assistance Reports (DSS-8127) are received, review for completeness and timeliness and act on them at the next review.

B. Changes to Annualized Self-Employment

Change in annualized self-employment is defined as beginning or terminating employment or a substantial increase or decrease in income.

1. Beginning Employment or Substantial Increase or Decrease

- a. Verify the amount the family is expected to receive each pay period.
- b. If actual income and expenses are available for any month, budget the actual income and expenses for that month.
- c. If the family will not receive a full month's income, use actual (if available) plus projected income in that month.
- d. Use projected income and expenses for ongoing months of eligibility until the next review.

2. Terminated Employment

- a. Verify the family member's terminated income.
- b. If the income has terminated and the last pay or benefit was received prior to the date of application, **do not count.**
- c. If actual income is available for any month, budget the actual income for that month.

- d. If a full month's income is not expected to be received, use actual (if available) plus projected income for the last month the terminated income is expected to be received.
- e. Budget as ongoing income if a full month's income is expected to be received.
- f. Do not count terminated income in any month after the last income is received.

NOTE: For self-employment that is not annualized, follow budgeting procedures in V., VI., and VII. above. Examples of nonannualized self-employment include baby-sitting, selling Avon, or doing carpentry.

X. WORK FIRST FAMILY ASSISTANCE QUARTERLY REPORT

The purpose of the Work First Family Assistance Report, DSS-8127, (Quarterly Report/QR) is to ensure correct benefit issuance and compliance with certain provisions of the Mutual Responsibility Agreement. Certain households are required to complete this report and submit it quarterly to continue to receive cash assistance.

A. Selection Criteria

1. The following households are required to complete a Work First Family Assistance Report, DSS-8127, to continue to receive cash assistance.
 - a. Child Only cases with earned and unearned income. If the only household income is Social Security, which is relatively stable, the household will not receive a Work First Family Assistance Report.
 - b. Families that contain a minor parent or a child 16 years old or older.
2. When a household is newly approved for Cash Assistance, the DSS-8127 is automatically generated and mailed to the household at the end of their second benefit month. If the household's cash assistance application is approved after the system selection date, the DSS-8127 will auto-generate for the next reporting cycle.
3. A Work First Family Assistance Report is then sent to the household once every three months. The household must return

their completed report by the deadline indicated on the quarterly report. The household remains responsible for reporting changes within 10 calendar days of the date the household knows of the change.

The case manager must inform all households required to submit a Work First Family Assistance Report that they have a right to receive help with completing the report. The case manager should ask families if they need help, document the response and the type of help requested, offered and/or provided, if any, in the case record. The Household also has the option to complete a telephone interview and provide a telephonic signature. Case managers must document the telephonic signature in the income support case details. The adult case head must speak directly with a case manager to complete a telephonic signature. The case manager will summarize the information to which the household attests and allows a verbal signature. The documentation must be included in a case note in NC FAST to demonstrate that the client has signed the form. Document "Telephone Signature" in the Income Support Application Case Details Notes. The documentation in NC FAST should include the client's name, date, time telephone interview and the client's response to indicating agreement to this verbal attestation of signature over the phone. The household must be mailed a copy of the telephonically signed forms and the case manager must document this in the case notes Please see Work First Policy Section 104 on telephone interviews and telephonic signatures.

If there is a household member that has as a disability that makes it difficult to read, comprehend, or complete the Work First Family Assistance Report timely, the household has a right to receive help from the agency in doing so as a reasonable accommodation. To receive a reasonable accommodation, an individual does not need to be receiving or be eligible for SSI or other disability benefits.

Reasonable accommodations also apply to individuals who are caring for a household member with a disability. The case manager should ask families if they need such help, document the response and the type of accommodation requested, offered and/or provided, if any, in the case record.

B. Returned Work First Family Assistance Reports

The case manager must determine whether the Work First Family Assistance Report is complete. The report is complete when and all information needed to determine eligibility is recorded and it is signed by

the participant or a telephonic signature has been accepted. In two-parent cases, one or both parents may sign the report.

1. Complete Work First Family Assistance Report

- a. Date stamp the Work First Family Assistance Report.
- b. Maintain the envelope if the report is received after the deadline, and the envelope is postmarked prior to the return deadline. If the report is received digitally, the email communication must be uploaded to NC FAST.
- c. Review the report for changes and compliance with the Mutual Responsibility Agreement. If there are no changes, the report must be maintained in the case record by uploading to NC FAST.
- d. If there are changes, take appropriate case action. Notify other internal program areas, if applicable, of the change via the Income Maintenance Transmittal form, DSS-8194, or other agency approved method.

For additional guidance see Fast Help Job Aid: Processing Completed Quarterly Reports for additional guidance.

2. Incomplete Work First Family Assistance Report

- a. Date stamp the Report and maintain the postmarked envelope for the case record.
- b. Document the receipt of the Work First Family Assistance Report in the case notes.
- c. Upload the documentation into NC FAST.
- d. Circle the incomplete items in red on the DSS-8127 and attach a Notice of Incomplete Work First Family Assistance Report Form, DSS-8137
- e. Review the case record to determine whether the household indicated a need for help in completing and returning the report, and if so, whether this help was provided. If such help is needed and it was not provided, the case manager should provide the help.
- f. If the record contains no indication that the household sought help with completing and submitting the report, or such help was already provided, return the Work First Family Assistance Report along with the DSS-8137 to the household no later than the required deadline.

- g. The household must have 10 calendar days to return the incomplete report prior to the NC FAST termination date for failure to comply with the reporting requirement.

For additional guidance see Fast Help Job Aid: Processing Incomplete Quarterly Reports

C. Failure to Return the Work First Family Assistance (WFFA) Report

1. If the Work First Family Assistance Report is not received by the first deadline, review the case record to determine whether the household indicated a need for help completing and/or returning the report, and if so, whether this help was provided. If such help is needed and it was not provided, the case manager **must** provide the help.
2. If the case record contains no indication that the household sought help with completing and/or submitting the report, or if such help was already provided, no action is necessary. A second Work First Family Assistance Report is system generated along with a Notice of Failure to Return Work First Family Assistance Report and a return envelope stamped "Work First Family Assistance."

If the Work First Family Assistance Report is not returned by the second deadline or is received incomplete, the case manager should review the case record to determine whether the household indicated a need for help in completing and returning the report, and if help was provided. If there is no documentation of a request for assistance with completing and submitting the report or assistance was provided, the household will receive a system generated notice of termination for failure to comply with the reporting requirement.

XI. JOB BONUS

The Work First Job Bonus is a fixed payment that assists families as they transition from cash assistance to employment. Job Bonus is limited to once per lifetime for each cash assistance household and individual. It is a \$100.00 payment per month, for three consecutive months. It replaces the Work First Cash Assistance payment.

Each Work First household whose new earned income results in their monetary ineligibility to receive a cash assistance payment may be eligible to receive Job Bonus. The new earnings may be a result of full or part time employment if it is new earned income, or the employment is considered permanent. If there are increased earnings from existing employment and the household becomes monetarily ineligible; the household may be eligible for Job Bonus.

There is not an established definition for what is considered permanent employment. For example, there are some jobs with temporary agencies that are long term assignments and, therefore, may be considered permanent for purposes of the Job Bonus. It is important that the case manager carefully evaluates the type of employment with temporary agencies as well as other employment situations. Failure to accurately evaluate these criteria may negatively impact the household. Also, it is important to ensure fair and equitable standards are applied to all households who are evaluated for Job Bonus.

If the participant's new earnings change before the expiration of the three-month Job Bonus period, the participant may reapply for Work First cash assistance. Once a Job Bonus is applied, even if received for less than three months, the household has met their lifetime limit for Job Bonus.

Note: For Work First Benefit (WFB) cases, the Job Bonus payment is not issued until after compliance with the Mutual Responsibility Agreement/Outcome Plan, unless the case manager determines good cause for the non-compliance.

A. Eligible Households

1. Job Bonus is only offered to households that receive ongoing cash assistance; **Job Bonus is not available at application.**
2. Participants are not eligible to receive Job Bonus during a Job Quit penalty period or if the cash assistance case is closed.
3. Job Bonus is offered to the adult members that are included in the budget unit. The budget unit may include financially responsible individuals who are excluded from the assistance unit for failure to meet other eligibility requirements. Because their income is counted in determining eligibility, these individuals may qualify for the Job Bonus.
4. Job Bonus can be received once in the lifetime of a cash assistance case.
5. If the household composition changes, a different household member may be eligible to receive an additional Job Bonus.

EXAMPLE 1

Parent A, of a two-parent household, becomes employed and the increased earnings terminates the household from cash assistance. The household receives the Job Bonus.

If Parent B becomes employed, the household is ineligible for an additional Job Bonus because Parent A previously received Job Bonus.

EXAMPLE 2

Parent B from Example #1 moves into the household of Parent C and their child. Parent C obtains employment, and the new earned income terminates the household from cash assistance. Parent C never received Job Bonus; the household is eligible to receive the Job Bonus.

EXAMPLE 3

Parent B becomes employed while living in the household of Parent C from Example #2. The household is ineligible for Job Bonus. Although Parent B has never received Job Bonus, Parent C previously received Job Bonus.

B. Evaluating for Job Bonus

When the household reports increased earnings or the case manager becomes aware of increased earnings **from either a task received in NC FAST or another internal communication, the case manager must** discuss with the household their potential eligibility for Job Bonus. The Work First Family Assistance Job Bonus form, DSS-8222/8222sp is used to notify the household of their potential eligibility for Job Bonus. **If the increase in earnings is reported by the household, the case manager should create a task in NC FAST using Job Aid "Creating a Task" and send a DSS-8194 to communicate this change with other programs.**

1. Increased Earnings Reported Timely

- a. Determine the impact of the increased earnings on the household's cash assistance payment. The case manager may accept the household's statement of the increased earnings pending third party verification.
- b. If the increased earnings do not terminate the household from cash assistance, follow the defined procedures for processing changes in income.
- c. Evaluate the household's eligibility for Job Bonus if the increased earnings will terminate the household from cash assistance.

- d. If the household is eligible for Job Bonus, send the DSS- 8222/8222sp to notify them of their potential eligibility for Job Bonus.

The DSS-8222/8222sp also serves as the Timely notice of termination for the household and includes Hearing Rights. The **participant** must sign and return the form acknowledging they accept or decline the Job Bonus. Maintain a copy of the form for the case file. **The case head must speak with a case manager to complete a telephonic signature. The case manager will summarize the information to which the household attests and allows a verbal signature. The documentation must be included in a case note in NC FAST to demonstrate that the client has signed the form. Document "Telephone Signature" in the Income Support Case Details Notes. The documentation in NC FAST should include the client's name, date, time telephone interview and the client's response to indicating agreement to this verbal attestation of signature over the phone. The household must be mailed a copy of the telephonically signed forms and the case manager must document this in the case notes Please see Work First Policy Section 104 on telephone interviews and telephonic signatures.**

- e. The form must be returned within 10 calendar days for the household to be eligible for Job Bonus. The case manager must include the return by date on the form.
- f. If the change is reported during an office visit and the eligibility for Job Bonus can be determined, provide the DSS-8222/8222sp to the household at that time.
- g. If the form is not returned by the tenth (10th) calendar day, follow Work First policy to terminate the cash assistance case. The DSS-8222 serves as the Timely notice, therefore the household may be terminated without further notice. Once the case terminates, a Notice of Termination, DSS-8110 Adequate notice must be sent to the **participant** to inform them of the action taken on their case. See Work First Manual Section 264. If the form is returned by the tenth (10th) calendar day and the household has chosen to accept the Job Bonus, refer to the FAST Help Job Aid: Job Bonus for Cash Assistance for processing instructions. Once the case terminates at the end of the Job Bonus period, a Notice of Termination (DSS-8110 Adequate) must be sent to the **participant** to inform them of the

action taken on their case. See Work First Manual Section 264.

- h. If the DSS-8222/8222sp is returned by the tenth (10th) calendar day and the household declines the Job Bonus, follow Work First policy to terminate the cash assistance case. The DSS-8222 serves as the Timely notice, therefore the household may be terminated without further notice. Once the case terminates, a Notice of Termination (DSS-8110 Adequate) must be sent to the **participant** to inform them of the action taken on their cash assistance case. See Work First Manual Section 264.
 - i. Families that decline the Job Bonus may be eligible in the future for Job Bonus.
2. Increased Earnings Not Reported Timely
- a. If the household fails to report the increased earnings timely, it is considered non-compliance with the Mutual Responsibility Agreement (MRA). The household is ineligible for Job Bonus and the case manager must follow policies related to MRA noncompliance.
 - b. Review the case to determine if there is a potential overpayment. If so, refer the case to the Program Integrity Unit.
3. Evaluating for Job Bonus at the End of a Certification Period

A household may report increased earnings at their Cash Assistance Review or at a time nearing the end of their certification period. Job Bonus is applied to the cash assistance case once in a lifetime for a concurrent period of three (3) months.

- a. The Job Bonus months must occur within the same certification period. It cannot be applied over multiple certification periods. If determined eligible for Job Bonus, and there are less than three months remaining in the current certification period, the household will receive Job Bonus only for the remaining months in the current certification period.

- b. If eligible for Job Bonus, determine how many months are remaining in the household's current certification period. Provide the household with the DSS-8222/8222sp and explain to the household the abbreviated Job Bonus period.
- c. The household must be informed that any months used for Job Bonus will meet the definition of the lifetime limit. Document that this information was shared with the household.

XII. CHILD SUPPORT

Child support is considered unearned income for the dependent child. If child support is received by the household for a child who is not a required household unit member, determine whether it is to the household's advantage to exclude that child from the Work First assistance unit. (Remember, the income of non-assistance unit members is not countable income).

If a **participant** is receiving child support for an adult child (over age 18) or a child who no longer lives in the household, the child support is countable unearned income to the **participant**.

Note: For ongoing cases, if the child is age 18 or older and is a student in high school who is expected to graduate no later than the month of their 19th birthday, budget the child support as unearned income to the child.

XIII. CONTRIBUTIONS

If the household's statement and the third-party contributor's statement disagree on the amount of the contribution, try to resolve the discrepancy using the DSS-8176, Contribution Form. If the case manager cannot resolve the difference, use the lower amount.

XIV. SCHOLARSHIPS AND OTHER EDUCATIONAL ASSISTANCE

Once the case manager determines that the scholarship or other educational assistance is countable, they must determine how much to count. This includes work-study programs not funded by Title IV of the Higher Education Act or Bureau of Indian Affairs student assistance programs.

- A.** Subtract from the scholarship or other educational assistance the portion that is used for the following items.
 - ◆ Tuition and fees
 - ◆ Books and supplies

- ◆ Equipment
- ◆ Special clothing needs
- ◆ Required school insurance
- ◆ Childcare needed for school attendance

- B.** Divide the remaining portion by the number of months the scholarship or educational assistance is intended to cover. Count this amount as unearned income for each month the scholarship or educational assistance is intended to cover.

XV. WORK RELEASE FUNDS

A household may be potentially eligible for Work Release funds if a child in the household is deprived of parental support and care due to the absence of a parent who is in prison. A household member may receive these funds from an inmate who is employed under the Department of Public Safety's Work Release Program.

Budget Work Release funds received by the household as child support income.

If the Department of Public Safety sends a Work Release Action Form, DC-190, to the agency, the county director must designate who is responsible for contacting the inmate's dependents, whether known to the agency or not, to determine their needs.

A. Contact Dependents

1. For this purpose, a dependent is defined as a spouse, child, parents of the inmate, or other relatives for whom the inmate has assumed responsibility in the past. The case manager must also consider any other legal dependents whom the inmate has not acknowledged.
2. Do not consider as dependents a remarried spouse or the parent of the dependent children if the parents were never married.

B. Determine Dependent Needs

1. To accomplish this, add the monthly needs for the number of dependents in the household using the table in E. below plus the dependents' monthly payments on health and life insurance, medical expenses not covered by Medicaid, school lunches, and expenses for college and vocational training courses not met by loans, grants, or scholarships.
2. Disregard all the dependents' income.

C. Report to the Department of Public Safety

1. Within two weeks of receiving the DC-190, report the dependent information to the Department of Public Safety using the Report on Aid Needed by Inmate's Dependents (DSS-1664). Attach a copy of any court order concerning the inmate's dependents.
2. If there is no court order for support or if the court order indicates support will be paid through the county, return only the [DSS-1664](#) listing all dependents.
3. If there is a valid court order that indicates a specific amount to be paid for some of the dependents, complete and return two copies of the DSS1664. (Complete item 4 on the [DSS-1664](#) and attach a copy of the court order.) The Department of Public Safety will pay the specified amount directly to the Clerk of Court. Any remaining monies will be sent to the county for other dependents.

D. Notification to Child Support Enforcement Office

Notify the Child Support Enforcement Office that the household unit is receiving Work Release funds. Any court order for support must be amended due to Work Release funds. If there is no order for support, the Child Support Enforcement Office may find it appropriate to pursue court action.

E. Needs Chart for Dependents

Use this chart to determine the monthly needs based on the number of dependents.

NEEDS OF DEPENDENTS							
Number of Dependents	1	2	3	4	5	6	7
Monthly Needs	\$362	\$472	\$544	\$594	\$648	\$698	\$746

Number of Dependents	8	9	10	11	12	13	14
Monthly Needs	\$772	\$812	\$860	\$896	\$946	\$992	\$1,042

For each additional dependent, add \$50.

XVI. LUMP-SUM PAYMENTS

A lump sum is a one-time payment that is not expected to reoccur.

- A.** For applications: Lump sum payments received during the month of application are counted as income during that month. Count any remaining balance **as a resource** beginning the month after the month of receipt.
- B.** For on-going cases: Count the remaining balance **as a resource** in the month after the month of receipt.
- C.** Do not recoup assistance received the month the lump sum is received.
- D.** Do not count the following types or portions of lump sum payments:
 - Lump sum settlement paid directly to the provider, such as a doctor or attorney
 - SSI
 - Payments received as compensation for a loss of resources, or a lump sum earmarked for a specific purpose

XVII. SPECIAL INSTRUCTIONS FOR BANK ACCOUNTS

Money deposited into a bank account to which the Work First household has access is income in the month it is deposited. Examples include direct deposit of earnings by an employer; direct deposit of Social Security benefits; child support payments deposited by absent parents; etc. Use the policies in this section to determine how to count the income just as if it were paid directly to the household.

This includes money deposited into a joint account by a non-household unit member (such as an absent parent), unless there is an explicit agreement specifying how the deposit is to be divided among the individuals who have access to the account. Unless there is documentation of such an agreement, count the full amount deposited as income in the month it is deposited.

EXAMPLE

A Work First **participant** is separated from her husband, who is not included in the Work First budget unit. She has full access to a joint bank account with her husband. Her husband's pay checks are deposited into the account bi-weekly. The deposits are countable income to the Work First household. Treat the income as a contribution. This is not earned income because the husband is not in the budget unit.

