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**STANDARDS OF ASSISTANCE  
AID PAYMENTS**

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**CHAPTER 44-300 AID PAYMENTS****44-301 MONEY PAYMENT PRINCIPLE 44-301**

Each individual or family has the right to manage his/her own affairs; to decide what use of his/her money, including the aid payment, will best serve his/her interests; and to make his/her purchases through the normal channels of exchange, to enjoy the same rights and to discharge his/her responsibilities in the same manner as other members of the community.

Aid payments shall be made in conformity with the money payment principle except when a problem in money management exists (see Section 44-307); when authorized sanctions are applied when a person fails without good cause to cooperate in the WIN Demo or GAIN Programs (see Section 42-691 or 42-786); when protective payments are made in noncooperation child support cases (see Sections 43-106 and 43-107.1); when money management is required under GAIN (see Section 42-785); or when directed by the Services System to make payments to a protective payee or to a vendor or vendors (see Section 44-307).

Aid payments are for the benefit of the recipient only and do not constitute income to any other person.

**44-302 PAYMENT BY ELECTRONIC FUND TRANSFER 44-302****.1 Payment by Direct Deposit**

Notwithstanding Section 25-301, direct deposit of assistance payments must be made available to CalWORKs recipients in all counties that offer a program of direct payroll deposit to some or all of their employees.

- .11 The CWD shall notify recipients of the option to receive benefits by direct deposit at the time of application or redetermination.
- .12 The recipient can request at anytime to receive direct deposit.
- .13 The recipient shall be eligible for direct deposit for the duration they are on aid.

**.2 Payment by Electronic Benefit Transfer (EBT)**

Pursuant to Section 16-001.3, counties may elect to use the EBT system to issue cash benefits.

NOTE: Authority cited: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code. Reference: Sections 10072 and 11006.2, Welfare and Institutions Code.

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<b>44-303</b>	<b>AID PAYMENTS - DEFINED</b>	<b>44-303</b>
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Aid payments are:

- .1 Money payments, i.e., payments delivered unconditionally to the recipient or family or to the legally appointed guardian or conservator of the recipient's estate, with no state or county control of the use of the payments.

When a staff person in the county welfare department or in the State Department of Social Services serves as a substitute payee or as a court appointed guardian or conservator for the recipient, as provided in Sections 40-107.2 and 30-222.6, his/her determinations regarding utilization of the aid payments on behalf of the recipient do not constitute "state or county control" within the meaning of this section. However, care shall be taken to leave the recipient as much control over the use of the payment as possible and consistent with conditions.

or

- .2 Protective payments, i.e., assistance payments made to a substitute payee serving as representative of the recipient or family (see Section 44-309).

or

- .3 Vendor payments, i.e., payments made directly to a person or agency supplying goods or services to the recipient or family. Vendor payments are applicable:

- .31 In all aids, for payments on home repairs under special shelter payment provisions; and
- .32 In CalWORKs, for use in certain Homeless Assistance cases (see Section 44-211.5); and
- .33 In CalWORKs cases in which a member of the AU becomes ineligible for aid due to a felony conviction related to the use or distribution of a controlled substance (see Section 44-307.11); and
- .34 In CalWORKs cases in which a parent or caretaker relative is in sanction status for at least three consecutive months (see Section 44-307.12). A county shall establish when to begin to issue vouchers or vendor payments for at least rent and utilities after this three-month period in sanction status. This timeframe shall be included in a county's written policies and procedures.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11251.3, 11327.5(d), 11453.2, and 17012.5, Welfare and Institutions Code; Family Support Act of 1988, Public Law (PL) 100-485, October 13, 1988 and California Department of Health Services Manual Letter 77-1.

<b>44-304</b>	<b>AID PAYMENT SCHEDULES</b>	<b>44-304</b>
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- |     |                        |  |
|-----|------------------------|--|
| .1  | Forwarding of Warrants | warrant is mailed, the envelope containing the warrant shall bear a statement that the warrant is not to be forwarded and that an address correction is requested (Welfare and Institutions Code Section 11006.4). |
| .2  | Frequency of Delivery  | Except for counties with approved alternate payment systems counties shall select either semimonthly or monthly delivery of payments.  |
| .3  | Changes in Frequency   | Counties shall, when electing to change frequency of delivery:   |
| .31 | CDSS Notification      | Notify CDSS in writing at least 90 calendar days prior to converting from one payment frequency to another.  |
| .32 | Recipient Notification | Notify all recipients of in writing at least 30 calendar days prior to converting from one payment frequency to another.   |



44-304	AID PAYMENT SCHEDULES (Continued)	44-304
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		<p>If the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month, but on or before the first day of the next QR Payment Quarter, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next QR Payment Quarter if possible, but no later than the tenth calendar day of the first month of the next QR Payment Quarter.</p>
	.512 Second Warrant	<p>Section 44-304.512(MR) shall become inoperative and Section 44-304.512(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.</p>
	(MR)	<p>The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the 15th calendar day of the payment month.</p>
	(QR)	<p>The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by no later than the 15<sup>th</sup> calendar day of each month of the QR Payment Quarter.</p>
	.52 Monthly Delivery	<p>Section 44-304.52(MR) shall become inoperative and Section 44-304.52(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.</p>
	(MR)	<p>The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the payment month unless the completed CW 7 is received after the tenth day prior to the end of the report month.</p>

**STANDARDS OF ASSISTANCE  
AID PAYMENTS**

**Regulations**

**44-304 (Cont.)**

**44-304 AID PAYMENT SCHEDULES (Continued)**

**44-304**

(MR)	If the completed CW 7 is received after the tenth day prior to the end of the report month, but on or before the first day of the payment month, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the payment month if possible, but not later than the tenth day of the payment month.
(QR)	The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of each month of the QR Payment Quarter unless the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month.
(QR)	If the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month, but on or before the first day of the next QR Payment Quarter, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the first month of the next QR Payment Quarter if possible, but not later than the tenth day of the first month of the next QR Payment Quarter.
.53	Notwithstanding Section 44-304.52, counties opting to use the EBT system shall issue cash benefits pursuant to Section 16-215.
.6 Exceptions to Standard Delivery Date	The county shall deliver:
.61 Holiday/Weekends	On the last postal delivery day preceding a holiday or weekend when the holiday or weekend will delay delivery past the specified date of delivery.
.611	With respect to electronic fund transfer, when a payment date falls on a weekend or holiday, funds shall be electronically transferred so that the funds are available on the first day of that month to recipients using direct deposit and available on the designated payment date to recipients using EBT pursuant to Section 16-215.

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- (a)     Example:                     If the payment date is on a Monday and Monday is a holiday, the electronic fund transfer must be made in time to ensure that the funds are available on the first of the month for recipients using direct deposit and available by the designated payment date for recipients using EBT.

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- .62     Initial Payment                     Initial payments promptly but no later than 10 calendar days after authorization of aid or the beginning date of aid, whichever is later.
- .63     Other Types of Delivery                     Payment to the recipient on the last working day prior to the specified delivery date when the payment is to be delivered by means other than the mail.
- .64     Late Payments                     Payments that cannot be authorized before the date for regular aid payments as soon as administratively feasible.
- .65     Out-of-County                     Payments out of the county as soon as administratively feasible.
- .66     Vendor Payments                     Payments according to specified intervals to third parties or vendors when requested by the recipient or when made in accordance with Section 44-303.3.
- .7     Recipient Dies                     If a warrant is cashed or a direct deposit electronic fund transfer is made, but the recipient subsequently dies or becomes ineligible for aid there is no right to recovery.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 10063(a), 10072, 10553, 10554, 11006.2, 11251.3, 11265.1, 11453.2, 11455 and 17012.5, Welfare and Institutions Code; 45 CFR 206.10(a)(6)(D); 45 CFR 233.23; 45 CFR 233.29(a)-(d); 45 CFR 233.31(b)(4); 45 CFR 233.32; and Balderas v. Woods Court Order.

<b>44-305</b>	<b>AID PAYMENTS - PAYEE AND DELIVERY</b>	<b>44-305</b>
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.1 To Whom Paid and Delivered

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.11 For Payee and Delivery requirements applicable to pregnant or parenting minors who are participants of the California Work Pays Demonstration Project, see Section 89-201.4.

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.12 Child Living with Parent or Relative

.121 If a child is living with a caretaker relative, the warrant shall be paid only to the caretaker relative unless such relative has a legally appointed guardian or conservator or there is a substitute payee or there is a vendor designated to receive payment (see Section 44-307). In such cases, the warrant is paid to the guardian, conservator, substitute payee or vendor.

.122 If the caretaker relative is temporarily absent from the home, the warrant may be paid to a person designated by the caretaker relative.

.123 The warrant is to be delivered only to the payee or otherwise according to the payee's instructions. If there is an emergency, the warrant may be delivered to a person acting temporarily for the parent or relative payee. (See Section 25-530.2.)

.13 Repealed by Manual Letter Number 81-62 (1/1/82)

.2 Alternate Payment System

.21 A county may develop a plan that divides its cases into groups and pays aid to these cases on dates other than the first and fifteenth of the calendar month, in order to allow payment dates to be spaced evenly throughout the calendar month.

.22 Such an alternate payment system must receive written approval of the California Department of Social Services before it may be implemented. The plan must provide that:

.221 Each recipient shall be assigned a recurring, specified aid payment period. The budget period shall correspond to this payment period.

.222 The aid payment shall be issued by mail or by direct deposit electronic fund transfer in time to be available to the recipient on the dates specified under Section 44-305.23.

<b>44-305</b>	<b>AID PAYMENTS - PAYEE AND DELIVERY (Continued)</b>	<b>44-305</b>
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- .223 Upon changing aid payment periods for any recipient, the recipient shall be provided a payment for the prorated amount of aid for the interim period between the end of the old payment period and the beginning of the new payment period. The prorated payment shall be made on the old aid payment delivery date.
  
- .224 Under the alternate payment system, references to month in the regulations shall be interpreted to mean the assigned aid payment or budget period.
  
- .225 Upon approval of the plan by the state and the assignment of an applicant to an alternate payment period, the recipient shall be informed of the payment period, budget period and dates he can expect his aid payment.
  
- .23 Aid payments to CalWORKs families residing in counties with approved semimonthly alternate payment systems shall be made in two installments during the payment period as follows:
  - .231 Section 44-305.231(MR) shall become inoperative and Section 44-305.231(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
  
  - (MR) The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of the assigned payment period, unless the county received the completed CW 7 after the tenth day prior to the end of the assigned report period. If the CW 7 is received after the tenth day prior to the end of the assigned report period, but on or before the first day of the assigned payment period, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the assigned payment period if possible, but not later than the tenth day of the assigned period.
  
  - (QR) The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the assigned QR Payment Quarter, unless the county received the completed QR 7 after the tenth day prior to the end of the assigned QR Submit Month. If the QR 7 is received after the tenth day prior to the end of the assigned QR Submit Month, but on or before the first day of the next assigned QR Payment Quarter, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the next assigned QR Payment Quarter if possible, but not later than the tenth day of the first month of the next assigned QR Payment Quarter.
  
- .232 The county shall place the second warrant in the mail or complete the second direct deposit electronic fund transfer in time to be available to the recipient by the 15th day of the assigned payment period.

**44-305 AID PAYMENTS - PAYEE AND DELIVERY (Continued) 44-305**

- .24 The exceptions to standard delivery dates specified in Section 44-304.6 shall be applicable to counties that have alternate payment systems.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 10063(a), 11006.2, 11254, Welfare and Institutions Code; 45 CFR 233.29, 45 CFR 233.31(b)(4) and 45 CFR 233.32.

**44-307 VOUCHER/VENDOR PAYMENTS 44-307**

- .1 Voucher/Vendor Payments A county shall issue vouchers or vendor payments for at least rent and utilities payments in the following instances:
- .11 Felony Conviction A member of the AU becomes ineligible for aid due to a felony conviction after December 31, 1997, related to the possession, use, or distribution of a controlled substance, or
- .12 Sanction Any time a parent or caretaker relative is in sanction status for at least three consecutive months. A county shall establish when to begin to issue vouchers or vendor payments for at least rent and utilities after this three-month period in sanction status. This timeframe shall be included in a county's written policies and procedures. The vouchers or vendor payments shall continue until the parent or caretaker relative is no longer subject to sanction.
- .2 Grant not Sufficient When the computed grant is not sufficient to cover both rent and utilities, the county shall issue a voucher or vendor payment for the full amount of the grant. The voucher or vendor payment may be for rent, utilities, or some portion of either.

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- .21 Example: Recipient's rent for a given month \$500.
- Utilities for the month \$100.
- Grant for the month \$400.
- The county could either send a \$400 voucher to the landlord or send a \$100 voucher to the utility company and a \$300 voucher to the landlord.

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<b>44-309</b>	<b>PROTECTIVE PAYMENTS (Continued)</b>	<b>44-309</b>
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- .13 The protective payee shall be selected using the following criteria:
  - .113 Interest in or concern with the recipient's welfare.
  - .114 Existence of a positive relationship with the recipient.
  - .115 Accessibility to the recipient.
  - .116 Good character and reliability (see also Section 40-107.2 for recipient's right to choose).
- .14 At least every three months, the way in which the protective payee's responsibilities are carried out shall be reviewed.
- .15 Protective payments will be terminated with return to money payment status only upon compliance by the parent or needy caretaker relative with the provisions of Sections 43-106 and/or 107, or Section 42-786.

NOTE: The above function shall be funded under Title IV-A of the Social Security Act.

NOTE: Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code. Reference: Sections 10553, 10554, and 10604, Welfare and Institutions Code; and California Department of Health Services Manual Letter 77-1.

<b>44-310</b>	<b>EXCEPTIONS TO PROTECTIVE PAYMENT REQUIREMENTS</b>	<b>44-310</b>
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- .1 Protective payments under Sections 42-691.233, 42-786.5 and 44-309 are not required if, after making all reasonable efforts (see .2 below), the county is unable to locate an appropriate individual to whom protective payments can be made. In this case, the county shall continue to make payments on behalf of the remaining members of the assistance unit to the sanctioned caretaker.
- .2 At a minimum, reasonable efforts on the part of the county to locate a protective payee shall include the following actions:
  - .21 Inform the sanctioned individual that the county is required to make protective payments if it is able to locate an appropriate protective payee.
  - .22 Ask the sanctioned individual to name a person who can act as the protective payee, and explain the selection criteria of Section 44-309.13 to the sanctioned individual.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: California Department of Health Services Manual Letter 77-1.

<b>44-311</b>	<b>COST-OF-LIVING ADJUSTMENTS</b>	<b>44-311</b>
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Grant and benefit levels are adjusted annually on July 1 to reflect changes in the cost of living as provided by statute (see W&IC Sections 11453 and 13100). This section does not apply to foster care rates for AFDC children.

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U</b>	<b>44-313</b>
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Section 44-313(MR), Introductory Paragraphs, shall become inoperative and Section 44-313(QR), Introductory Paragraphs, shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Budgeting is the activity used to compute the aid payment for a month for which eligibility exists (known as the payment month) using net nonexempt income, see Chapter 44-100, received in a corresponding month (known as the budget month). The two types of budgeting methods are prospective and retrospective. Under prospective budgeting, the budget month and the payment month are the same month. Under retrospective budgeting, the budget month is the second month prior to the payment month.

(MR) Budgeting is an activity separate from the determination of eligibility. All eligibility factors, including income eligibility, see Section 44-207, are considered on a prospective basis.

(MR) This section defines prospective and retrospective budgeting and specifies the appropriate method for various situations.

(MR) For the appropriate budgeting method to be used when an individual is added to or deleted from an existing assistance unit, see Section 44-313.4.

(QR) Budgeting is the activity used to compute the aid payments for a QR Payment Quarter for which eligibility exists using net nonexempt income, (see Chapter 44-100) that is reasonably anticipated to be received in the QR Payment Quarter. The budgeting method used is prospective budgeting.

(QR) Budgeting is an activity separate from the determination of eligibility. All eligibility factors, including income eligibility (see Section 44-207 and 44-316.324(QR)), are considered on a prospective basis.

.1 Prospective Budgeting

.11 Section 44-313.11(MR) shall become inoperative and Section 44-313.11(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Prospective budgeting is the method of computing an aid payment for a month using an estimate of the income reasonably expected to be received in that month. The estimate shall be based on the county's knowledge of past and current income and reasonable expectation of future income.

**44-313 BUDGETING METHODS FOR AFDC-FG/U (Continued) 44-313**

(QR) Prospective budgeting is the method of computing an aid payment for a QR Payment Quarter using income that is reasonably anticipated to be received in that quarter (see Section 44-315.31(QR)) except for those mid-quarter changes where actual income is used as specified in Section 44-316.311(QR).

.111 Section 44-313.111(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) Income from the QR Data Month, anticipated changes in income from the QR 7 and mid-quarter income changes as specified in Section 44-316 shall be considered when determining eligibility and cash aid for a QR Payment Quarter. Documentation shall be entered in the case that explains how income was projected in determining cash aid calculations. Case narrative entries shall include, but are not limited to, the following:

- (a) Income the recipient reports that he/she expects to receive in the QR Payment Quarter.
- (b) Whether reasonably anticipated income will be different than income that the recipient reported receiving for the QR Data Month as reported on the QR 7.
- (c) Documentation of the reasons for not accepting the recipient's reasonable anticipated income if the information is questionable.
- (d) Other information used to determine what income will be used in the cash aid calculations (verifications, employers' statements, case history, etc.) if the recipient's reasonable anticipated income is not used.

.12 Prospective budgeting shall be used to compute:

.121 Section 44-313.121(MR) shall become inoperative and Section 44-313.121(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The grant for the first and second months that AFDC is granted following a new application or reapplication, see Sections 40-103.41 and .43.

(MR) Example:

(MR) If the first month of aid is October, the aid payments for October and November are computed using estimates of income reasonably expected to be received in October and November.

(QR) The CalWORKs grant for each month in a QR Payment Quarter.

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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- .122 Section 44-313.122(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
  - (MR) The grant for the first and second payment months of AFDC when aid is restored (see Section 40-103.42) following a break in aid of one calendar month or more.
  
- .123 Section 44-313.123(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
  - (MR) When aid is restored following a suspension, see Section 44-315.6.
  - (MR) Example:
    - (MR) If aid is discontinued March 31, and aid is restored to be effective anytime in May, the aid payments for May and June are computed using estimates of income reasonably expected in May and June.
  
- .2 Section 44-313.2(MR) et seq. shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
  - (MR) Retrospective Budgeting
    - (MR) .21 Retrospective budgeting is the method used to compute the AFDC grant for a month using income received in the second month prior to the payment month. Income information shall be obtained from the Monthly Eligibility Report (CA 7).
    - (MR) .22 Retrospective budgeting is the method used to compute:
      - (MR) .221 The AFDC grant for the third and subsequent payment months, except that income from the budget month which was considered prospectively for any payment month and is not of a continuous nature shall not be counted, see Section 44-313.3(MR).
      - (MR) .222 The AFDC grant for the month following a suspension as required by Section 44-315.6.
      - (MR) .223 The AFDC grant for the month in which aid is restored following a break in aid of less than a calendar month provided:
        - (MR) (a) The assistance unit received an aid payment, received a zero grant, or would have received an aid payment except for the restriction on grants of less than \$10, for the immediately preceding two payment months; or
        - (MR) (b) The assistance unit was suspended in either of the two payment months immediately preceding discontinuance and retrospective budgeting was or is required by Section 44-315.6 where aid was or is restored following the suspension.

**44-313 BUDGETING METHODS FOR AFDC-FG/U (Continued) 44-313**

(MR) Example:

(MR) If aid is discontinued effective March 31, and aid is restored to be effective anytime in April, the grant for April is computed using income received in February, the grant for May is computed using income received in March, etc.

.3 Section 44-313.3(MR) et seq. shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Income of a Continuous Nature

(MR) .31 For the third and fourth payment periods, the income already used to compute the grant for the first and second payment periods which is not of a continuous nature shall not be counted.

.4 Budgeting the Income of Individuals Added to or Deleted from an Existing Assistance Unit

.41 Sections 44-313.41(MR) et seq. shall become inoperative and Section 44-313.41(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The income of an eligible individual added to an existing assistance unit shall be budgeted prospectively for the first two payment months except in the following circumstances:

(QR) The income of a new person who is added to an existing AU shall be budgeted prospectively in accordance with Section 44-316.312(b)(QR) for each month of the QR Payment Quarter.

(MR) .411 When aid is restored following a break in aid from that assistance unit when the break in aid is less than one calendar month, retrospective budgeting shall continue. See Section 44-313.223(MR).

(MR) .412 When the added individual's income has been considered when determining the assistance unit's eligibility for the two months immediately preceding the beginning date of aid, retrospective budgeting shall be used.

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(MR) EXAMPLE:

(MR) Situation: The assistance unit is in retrospective budgeting. An unaided stepparent has income deemed to the assistance unit in December and January. The stepparent is added to the assistance unit on the first day of February, and remains eligible in subsequent months.

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**HANDBOOK CONTINUES**

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**HANDBOOK CONTINUES**

Budgeting: Retrospectively budget the stepparent's income deemed to the assistance unit in December to the February payment month. Retrospectively budget the stepparent's income deemed in January to the March payment month. Retrospectively budget all the stepparent's net nonexempt income received in February to the April payment month.

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- (MR) .413 When the added individual's income has been considered when determining the assistance unit's eligibility for only the first month immediately preceding the beginning date of aid, his/her income shall be retrospectively budgeted in the second month of aid.

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(MR) EXAMPLE:

Situation: The assistance unit is in retrospective budgeting. A second parent moves into the home in January and applies for aid. Eligibility conditions are met at the end of January. The second parent is added to the assistance unit effective the first of February, and remains eligible in subsequent months.

Budgeting: Compute the second parent's income considered available to the assistance unit in January according to 44-133.3, and retrospectively budget this amount to the March payment month. Prospectively budget the second parent's net nonexempt income expected to be received in February to the February payment month. In addition, retrospectively budget the second parent's net nonexempt income received in February to the April payment month, if the income is of a continuous nature. (See Section 44-313.3(MR).) Retrospectively budget the second parent's net nonexempt income received in March to the May payment month.

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- .42 Section 44-313.42(MR) shall become inoperative and Section 44-313.42(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The income received during the budget month by an individual deleted from an assistance unit shall not be considered income to the assistance unit for retrospective budgeting in any payment month following his or her discontinuance except in the following circumstance:

(QR) The income of an individual deleted from an AU shall not be considered income to the AU for budgeting purposes in any month(s) following his or her discontinuance except in the following circumstance:

**44-313 BUDGETING METHODS FOR AFDC-FG/U (Continued) 44-313**

.421 Section 44-313.421(MR) and Handbook Section 44-313.421(MR) shall become inoperative and Section 44-313.421(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) When the person remains in the home following discontinuance and has income which is considered available to the assistance unit under Section 44-133, retrospective budgeting shall continue.

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**HANDBOOK BEGINS HERE**

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(MR) EXAMPLE 1:

A child with income moves from the home in July. The child's needs are not considered for eligibility in August. Therefore, his/her June income is not considered when computing the grant paid in August.

(MR) EXAMPLE 2:

Situation: The assistance unit is in retrospective budgeting, and in January and prior months consisted of stepfather, mother and her separate child. Stepfather begins working full time and is removed from the assistance unit as of February 1. The stepfather remains in the home, and his income is deemed to the assistance unit according to 44-133.6 in February and subsequent months.

Budgeting: Retrospectively budget all the net nonexempt income received in November by the three-person assistance unit to the January payment month. Retrospectively budget all the net nonexempt income received in December by the three-person assistance unit to the February payment month. Retrospectively budget all of the net nonexempt income received in January by the three-person assistance unit to the March payment month. Retrospectively budget the net nonexempt income received in February by the two-person assistance unit, including the income deemed from the stepparent in February, to the April payment month. Note: This budgeting method is used even when the stepparent's income is not actually considered available to the family because the stepparent's needs and other deductions allowed under 44-133.6 are greater than the income.

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(QR) When the person remains in the home following discontinuance and has income which is considered available to the AU under Section 44-133, prospective budgeting shall continue.

.5 Budgeting in Approved Alternate Payment Systems

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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- .51 Apply the requirements of 44-313 to approved alternate payment systems (see Section 44-305.3). Substitute references to "month" with phrase "28- to 31-day period not limited to a calendar month."
  
- .6 Budgeting for Refugee or Cuban/Haitian Entrant Cases Transferred from Refugee or Cuban/Haitian Entrant Cash Assistance to AFDC-FG AND AFDC-U
  - .61 Section 44-313.61(MR) shall become inoperative and Section 44-313.61(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
    - (MR) The budget period for the month of transfer from the Refugee Resettlement or Cuban/Haitian Entrant Programs to AFDC-FG or AFDC-U shall be the second prior calendar month (retrospective budgeting) unless the family did not receive refugee or Cuban/Haitian entrant cash assistance in the second prior calendar month.
    - (QR) Prospective budgeting shall continue for recipients transferred from the Refugee Resettlement or Cuban/Haitian Entrant Programs to CalWORKs.
  - .62 Section 44-313.62(MR) and Welfare and Institutions Code Section 11265.3 shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
    - (MR) If the family did not receive cash assistance in the second prior calendar month, but did in the prior calendar month, the budget period for the month of transfer shall be the concurrent month. The budget period for the following month shall be the corresponding second prior calendar month.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG)</b>	<b>44-314</b>
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- .1 Definitions The following definitions pertain only to Section 44-314.
  
- .11 Break-in-Aid Section 44-314.11(MR) shall become inoperative and Section 44-314.11(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in the county, pursuant to the Director's Declaration.

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG) (Continued)</b>	<b>44-314</b>
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- |           |  |   |
|-----------|--|---|
| (MR)      | For MFG purposes the following conditions will be considered a month in which the assistance unit (AU) did not receive cash aid: |   |
| (MR)      | Months in suspense as defined in Section 44-315.8(MR).   |   |
| (MR)      | A month in which the AU is eligible for a zero basic grant (ZBG) as defined in Section 44-315.9; or                              |   |
| (MR)      | A month in which the reunification family does not receive a cash aid payment pursuant to Section 82-812.683.                    |   |
| (QR)      | For MFG purposes the following conditions will be considered a month in which the AU did not receive cash aid:                   |   |
| (QR) .111 | A month in which the AU is eligible for a zero basic grant (ZBG) as defined in Section 44-315.9; or                              |   |
| (QR) .112 | A month in which the reunification family does not receive a cash aid payment pursuant to Section 83-812.683.                    |   |
| .12       | Law Enforcement Agency   | Law enforcement agency includes federal, state, and local law enforcement agencies.   |
| .13       | Mental Health Professional   | Mental health professional means a person who is licensed by the State of California to provide counseling services.                                |
| .14       | MFG Child  | MFG child means the child, or children in the case of a multiple birth, that is not included in the AU size for the purpose of determining the MAP. |
| .15       | Received Aid   | Received aid means received cash aid for himself/herself or on behalf of his/her eligible child(ren). This includes:                                |
| .151      |  | A sanctioned parent who has a protective payee.   |
| .152      |  | A minor that receives aid as a child and who subsequently becomes a minor parent.   |

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG) (Continued)</b>	<b>44-314</b>
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- .2 MFG  
When a child is born into an AU that has received aid for at least ten months immediately prior to the birth, the child shall not be included in the AU size for the purpose of determining the MAP.
  
- .3 MFG Application  
The MFG applies when:
  - .31 Notice  
The AU has received written notice of the MFG at least ten months prior to the birth of the child, and
  
  - .32 No Break in Aid  
The AU has not had a break in aid of at least two consecutive months during the ten months immediately prior to the month of birth of the child.
  
- .4 Continue MFG  
The MFG continues to apply until the AU has not received aid for at least 24 consecutive months.
  
- .5 MFG Exemptions  
MFG shall not apply when:
  - .51 Rape  
The child was conceived as a result of an act of rape, as defined in Sections 261 and 262 of the Penal Code, and
    - .511  
The rape has been reported to a law enforcement agency, medical or mental health professional or an organization that provides counseling to victims of rape prior to, or within three months after, the birth of the child.
      - (a)  
The recipient shall provide written verification from one of the entities listed above, that the incident of rape was reported and the date that the report was made.

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG) (Continued)</b>	<b>44-314</b>
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- |      |                                |  |
|------|--------------------------------|--|
| .52  | Incest                         | The child was conceived as a result of incest, as defined in Section 285 of the Penal Code, and  |
| .521 | (a)                            | Paternity has been established, or   |
| .522 | (a)                            | The incest has been reported to a law enforcement agency, medical or mental health professional or an organization that provides counseling to victims of incest prior to, or within three months after, the birth of the child. |
| .53  | Contraceptive Failure          | The recipient shall provide written verification from one of the entities listed above that the incident of incest was reported and the date the report was made.  |
| .531 | (a)                            | It is medically verified that the child was conceived as a result of the failure of:   |
| .532 | (a)                            | An intrauterine device, or   |
| .533 | (a)                            | Norplant, or   |
| .54  | (a)                            | The sterilization of either parent.  |
| .54  | Unaided Caretaker Relative     | The child was conceived while either parent was an unaided nonparent caretaker relative.   |
| .55  | Not Living With Parent         | The child is not living with either parent.  |
| .56  | Teen Parent/Former Teen Parent | The child was conceived while either parent was an unaided nonparent caretaker relative.   |
| .561 | (a)                            | A teen parent/former teen parent, who has met the age requirements in Section 42-101 at the time the child was born, establishes his/her own AU. When this occurs, the MFG rule shall not apply to:                              |
| .562 | (a)                            | Any existing child of the teen parent/former teen parent, or   |
| .562 | (a)                            | Any new child born to the teen parent/former teen parent during the first ten months after establishing his/her own AU.  |

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG) (Continued)</b>	<b>44-314</b>
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- |      |                       |   |
|------|-----------------------|---|
| .6   | MFG Child Eligibility | The MFG child is eligible for and a recipient of aid including special needs.   |
| .61  | MBSAC                 | The MFG child is included in the AU size for the MBSAC.   |
| .62  | Child Support         | Any child support payments for the MFG child shall be given to the AU and exempt from consideration as income. For treatment as a resource, see MPP Section 42-211.2.   |
| .621 |                       | Benefits from the Social Security Administration or other government programs that are based on an absent parent's disability or retirement and paid to, or on behalf of, the MFG child shall be considered child support for MFG purposes. |

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11203, 11265.2, 11450.04(a), (b)(1), (2) and (3), (d)(1), (2) and (3), and (e), Welfare and Institutions Code; Sections 261, 262, and 285, Penal Code; Nickols v. Saenz, Case Number 310867, August 25, 2000; and Kehrer v. Saenz, Case Number 99CS02320, January 22, 2001.

**44-315 AMOUNT OF AID 44-315**

- .1 Definitions These definitions are specific to and for purposes of this section.
- .11 Net Nonexempt Income "Net Nonexempt Income" means all earned income and disability-based unearned income less applicable disregards, plus any unearned income.

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[See Chapter 44-100 to determine net nonexempt income.]

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- .12 Grant Amount "Grant Amount" means the amount of cash aid which is to be paid to the AU for a given month.
- .13 Potential Grant Potential Grant" means the subtotal after the net nonexempt income is subtracted from the MAP plus special needs for the family. The potential grant may equal the grant amount if the potential grant is equal to or less than the MAP plus any special needs for the AU only.
- .2 County Responsibility The county is responsible for computing the amount of aid payment when:
- .21 Granted Aid is granted or restored;
- .22 Redetermination A redetermination of eligibility is made;
- .23 Change There is a change in need, income, or other factors affecting the amount of aid to which the recipient is eligible.
- .3 Amount of Grant The county shall calculate the amount of grant as follows:
- .31 Section 44-315.31(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in the county, pursuant to the Director's Declaration.

44-315	AMOUNT OF AID (Continued)	44-315
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(QR)	Reasonably Anticipated Monthly Income	The reasonably anticipated monthly income shall be used to determine cash aid for the QR Payment Quarter.
(QR)	.311	Income shall be considered to be reasonably anticipated if the county determines that:
(QR)	(a)	The income has been or will be approved or authorized within the next QR Payment Quarter, or the household is otherwise reasonably certain that the income will be received within the QR Payment Quarter; and
(QR)	(b)	The amount of the income is known.
(QR)	.312	If necessary, the county may require the recipient to provide one or more months of the previous quarter's income when the county needs more information to determine what income is reasonably anticipated for the next QR Payment Quarter.
(QR)	.313	That portion of the AU's income which is uncertain or cannot be reasonably anticipated, in accordance with Section 44-101(c)(1)(QR), will not be counted when determining income eligibility and cash aid.
(QR)	.314 Determine if Income Will Be Continued or Be Different	The county shall determine whether the reasonably anticipated monthly income is expected to be different from the income reported for the QR Data Month for one or more months during the next QR Payment Quarter or whether the monthly income reported for the QR Data Month is expected to continue during each month of the next QR Payment Quarter.
(QR)	.315 Income Expected to Continue	
(QR)	(a) Weekly/Bi-Weekly Payments	Under the following circumstances the county shall add weekly or bi-weekly (every other week) Data Month income amounts reported on the QR 7 and divide that total by the number of pay periods in the Data Month to arrive at an average weekly or bi-weekly income amount to which the conversion factor (see Section 44-315.315(b)(QR)) shall be applied:

**44-315 AMOUNT OF AID (Continued)****44-315**

- (QR) (1) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it does not anticipate any changes in income in the upcoming quarter compared to the Data Month income actually reported on the QR 7, and the county is in agreement with the AU's report of no change in income; or
- (QR) (2) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter, but the county determines in its follow-up review that the AU's reasonably anticipated income in the next QR Payment Quarter will not change from what was reported in the Data Month on the QR 7; or
- (QR) (3) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter and the new amount is known and that the amount will remain the same for the entire QR Payment Quarter and the county is in agreement with the AU's report of the change in income.

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## Example 1:

The recipient reports on the QR 7 that four weekly paychecks were received in the following amounts: \$115, \$100, \$135, and \$95. The recipient also indicated on the QR 7 that his/her income is not expected to change during the next QR Payment Quarter compared to the income reported on the QR 7. The county will add the four weeks of income together, divide by four and then factor the resultant amount by 4.33 (use the appropriate conversion factor for the payment frequency) to arrive at the monthly income amount for the next QR Payment Quarter. If five pay periods were reported in the Data Month on the QR 7, the county will add each week together and divide by five and then factor the resultant amount by 4.33.

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**HANDBOOK CONTINUES**

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**HANDBOOK CONTINUES**

Example 2:                   The QR Payment Quarter is January/February/March. The recipient indicated on the QR 7 that weekly income of \$100 was received in the Data Month and marks on the QR 7 that this income amount will not continue during the upcoming QR Payment Quarter. The county consults with the recipient and finds out that the recipient anticipated a change in income because he/she hopes to get a new job in the next quarter but has no firm offer. The recipient states that if he/she does not get a new job, he/she will continue at the current job throughout the next quarter making the same amount. Due to the speculative nature of the new job and the recipient's statement regarding the current job, the county determines that the income reported in the Data Month on the QR 7 is reasonably anticipated to continue during the next quarter. Therefore, the county would apply the conversion factor of 4.33 to the \$100 weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$100 weekly amount remains the same for each pay period, the step requiring that the weekly amounts be added together and divided by the number of pay periods is not necessary.)

Example 3:                   The QR Payment Quarter is January/February/March. The recipient indicated on the QR 7 that bi-weekly income of \$200 was received in the Data Month and marks on the QR 7 that this income amount will increase to a bi-weekly income of \$250 and will remain the same for the entire next QR Payment Quarter. The county agrees with the recipient's QR 7 information and applies the 2.167 conversion factor to the \$250 bi-weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$250 weekly amount remains the same for each pay period, the step requiring that the bi-weekly amounts be added together and divided by the number of pay periods is not necessary.)

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**44-315 AMOUNT OF AID (Continued) 44-315**

(QR) (b) The average weekly and bi-weekly amounts arrived at above shall be converted to a monthly amount by using a 4.33 conversion factor for weekly payments and a 2.167 conversion factor for payments received bi-weekly.

(QR) (c) The conversion factors can only be used if reasonably anticipated weekly and bi-weekly payments are reasonably anticipated to be paid throughout the entire QR Payment Quarter for each week or for every other week in the QR Payment Quarter. For reasonably anticipated income that is not paid weekly or bi-weekly for one or more months of the QR Payment Quarter, the total monthly reasonably anticipated income amounts shall be added together and averaged over the months of the QR Payment Quarter, by adding each month total income and dividing by the number of months in the QR payment quarter.

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Example: The recipient reports on the QR 7 that she is paid on a weekly basis except she only works three weeks in a month and indicates that this frequency of pay will remain the same throughout the next QR Payment Quarter and will remain unchanged throughout the next QR Payment Quarter. She is typically paid \$115, \$100, and \$135. The county will add the three weeks of income together to arrive at a reasonably anticipated monthly income for the next QR Payment Quarter. Since income is not paid every week of the QR Payment Quarter, the conversion factor cannot be applied.

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(QR) (d) Monthly/Semi-Monthly Payments For income that is received monthly or semi-monthly (two times a month) and is expected to continue, the county shall use the total monthly income amount reported on the QR 7 for the QR Data Month to calculate cash aid for the next QR Payment Quarter. The conversion factors shall not be used for income that is received monthly or semi-monthly.



**HANDBOOK CONTINUES**

Once the monthly income amounts for each month of the QR Payment Quarter have been determined, add the reasonably anticipated income for each month of the quarter and divide by the number of months in the QR Payment Quarter to arrive at a reasonably anticipated monthly income. The county shall use the reasonably anticipated monthly income to calculate cash aid for the QR Payment Quarter.

The county will compute income for the new quarter as follows:

April	\$500
May	\$200
June	\$500
Total Quarter income	\$1200

The reasonably anticipated monthly income is \$400 (\$1200 divided by the number of months in the QR Payment Quarter).

The reasonably anticipated income for each month of the QR Payment Quarter \$400.

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(QR) .317    Determination of Aid Based  
                  on Mid-Quarter Changes

When a recipient mid-quarter report or a county initiated action changes the amount of cash aid, except as provided in Section 44-316.312(a)(3)(QR), the county shall determine the grant amount by adding the monthly income for the remaining months of the QR Payment Quarter then dividing by the number of months remaining in the QR Payment Quarter. The county shall use the reasonably anticipated monthly income to calculate cash aid for the remainder of the QR Payment Quarter.

.32    "Family" MAP

Determine the Maximum Aid Payment (MAP) for all family members whose needs are considered in the payment month. The MAP is set forth in Welfare and Institutions Code Section 11450.

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.321 MBSAC and MAP Levels

(a) REGION 1 MBSAC/MAP STANDARDS

<u># in AU</u>	<u>MBSAC</u>	<u>EXEMPT*</u>		<u>NONEXEMPT*</u>	
		<u>MAP</u>	<u>80%</u>	<u>MAP</u>	<u>80%</u>
1	423	373	298	336	269
2	693	613	490	548	438
3	859	758	606	679	543
4	1022	901	721	809	647
5	1165	1027	822	920	736
6	1310	1153	922	1033	826
7	1439	1267	1014	1136	909
8	1567	1382	1106	1237	990
9	1699	1492	1194	1336	1069
10 or more**	1844	1603	1282	1435	1148

REGION 2 MBSAC/MAP STANDARDS

<u># in AU</u>	<u>MBSAC</u>	<u>EXEMPT*</u>		<u>NONEXEMPT*</u>	
		<u>MAP</u>	<u>80%</u>	<u>MAP</u>	<u>80%</u>
1	402	355	284	319	255
2	659	584	467	521	417
3	817	723	578	647	518
4	972	859	687	770	616
5	1108	980	784	876	701
6	1245	1100	880	984	787
7	1367	1209	967	1079	863
8	1490	1316	1053	1177	942
9	1615	1424	1139	1272	1018
10 or more*	1754	1528	1222	1366	1093

\* See MPP Section 89-110.2 for definition of Exempt and Nonexempt AUs.

\*\* For MBSAC add fourteen dollars (\$14) for each additional needy person.

MBSAC Levels effective 10/01/01, MAP Levels effective 10/01/01.

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**HANDBOOK CONTINUES**

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<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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**HANDBOOK CONTINUES**

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REGION 1 COUNTIES

REGION 2 COUNTIES

Alameda	Orange	Santa Clara	Alpine	Lake	San Bernardino
Contra Costa	San Diego	Santa Cruz	Amador	Lassen	San Joaquin
Los Angeles	San Francisco	Solano	Butte	Madera	Shasta
Marin	San Luis Obispo	Sonoma	Calaveras	Mariposa	Sierra
Monterey	San Mateo	Ventura	Colusa	Mendocino	Siskiyou
Napa	Santa Barbara		Del Norte	Merced	Stanislaus
			El Dorado	Modoc	Sutter
			Fresno	Mono	Tehama
			Glenn	Nevada	Trinity
			Humboldt	Placer	Tulare
			Imperial	Plumas	Tuolumne
			Inyo	Riverside	Yolo
			Kern	Sacramento	Yuba
			Kings	San Benito	

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**HANDBOOK ENDS HERE**

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.33 Add Special  
Need Payment

Add any special need payment amounts for the family to the MAP.

<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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.34	Net Nonexempt Income	Round to the next lower dollar the net nonexempt income from the budget month including in-kind income.
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(See Chapter 44-100 for computing net nonexempt income.)

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.35	Potential Grant	Subtract the net nonexempt income amount from the MAP plus special need for the family. This is the potential grant amount.
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.36	AU MAP	Determine the Maximum Aid Payment (MAP) for the AU only. The MAP is set forth in Welfare and Institutions Code Section 11450.
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.37	Add Special Need Payments	Add any special need payments for the AU only to the MAP.
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.38	Actual Grant Amount	The actual grant amount is the lesser of the potential grant amount or the sum of the MAP plus special needs for the AU only.
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.381		For additional Amount of Aid requirements applicable to pregnant or parenting minors who are Cal-Learn participants, see Section 42-762.7.
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.39	Computation Examples	Handbook Section 44-315.39(MR) shall become inoperative and Handbook Section 44-315.39(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
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(MR) Example 1:

A nonexempt family of four (a pregnant mom, stepfather (father of the unborn) and her two separate children). The stepfather has gross earned income of \$775 per month, with no other income. The family lives in Region 1.

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**HANDBOOK CONTINUES**

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**HANDBOOK CONTINUES**

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\$ 775	Earned Income for the family
<u>- 225</u>	\$225 Income Disregard
\$ 550	Subtotal
<u>- 275</u>	50% Earned Income Disregard
\$ 275	Total Net Nonexempt Income
\$ 728	"Family" MAP for four (mom, stepfather and two children) Region 1
<u>+ 47</u>	Special Needs AU (third trimester of pregnancy)
\$ 775	Total (MAP plus Special Needs)
<u>- 275</u>	Net Nonexempt Income
\$ 500	Potential Grant
\$ 611	Nonexempt AU MAP for three (Region 1)
<u>+ 47</u>	Special Needs for AU
\$ 658	Total MAP plus Special Needs
\$500	Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)

(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Continue for Each Month of the QR Payment Quarter

Example 1:

A nonexempt family of four (a pregnant mom, stepfather (father of the unborn) and her two separate children) are in a July, August, and September Quarter. The stepfather has gross earned income of \$775 per month, with no other income and no reasonably anticipated changes in income for the QR Payment Quarter. The family lives in Region 1.

\$ 775	Reasonably Anticipated Monthly Earned Income for the Family
<u>- 225</u>	\$225 Income Disregard
\$ 550	Subtotal
<u>- 275</u>	50% Earned Income Disregard
\$ 275	Total Net Nonexempt Income
\$ 839	"Family" MAP for Four (mother, stepfather and two children) Region 1
<u>+ 47</u>	Special Needs AU (third trimester of pregnancy)
\$ 886	Total (MAP plus special needs)
<u>- 275</u>	Net Nonexempt Income
\$ 611	Potential Grant

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\$ 704	Nonexempt AU MAP for Three (Region 1)
<u>+ 47</u>	Special Needs for AU
\$ 751	Total MAP plus Special Needs
\$ 611	Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)

(MR) Example 2:

A nonexempt AU of three (an adult and two children) has gross earned income of \$800 per month and the children received \$300 in Social Security Disability Insurance benefits from the absent parent's disability claim. The family lives in Region 1.

\$ 300	Disability-based Unearned Income (SSDI)
<u>- 225</u>	\$225 Income Disregard
\$ 75	Nonexempt Disability-Based Income

\$ 800	Earned Income
<u>- 400</u>	50% Income Disregard
\$ 400	Nonexempt Earned Income
<u>+ 75</u>	Nonexempt Disability-Based Income
\$ 475	Total Net Nonexempt Income

\$ 611	Nonexempt MAP for three (Region 1)
<u>- 475</u>	Total Net Nonexempt Income
\$ 136	Grant Amount

(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Differ for One or More Months of the QR Payment Quarter.

Example 2:

A Region 1 nonexempt AU of four is in the October/November/December quarter. Mother submits the QR 7 for November to the county on December 10. On the QR 7, she reports that she started a part-time job in December that will only last until the end of January, when the holiday shopping season has ended. She reports that she will get paid \$900 in January and \$800 in February. One child is also receiving SSA disability benefits (DBI) of \$100 per month based on an absent father's disability.

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Benefits for the January/February/ March quarter are computed based on the income the AU reasonably anticipates it will receive during that quarter as follows:

\$ 100	Monthly DBI
\$ 900	Reasonably Anticipated Earned Income for January
<u>+ 800</u>	Reasonably Anticipated Earned Income for February
<u>+ 0</u>	Reasonably Anticipated Earned Income for March
\$1700	Subtotal Reasonably Anticipated Earned Income for Quarter
 \$ 566.67	 Reasonably Anticipated Earned Income Divided by the Number of Months in the QR Payment Quarter 1700/3 = (averaged monthly earnings)
\$ 100	Reasonably Anticipated Monthly DBI Income
<u>- 225</u>	Less DBI Unearned Income Disregard
-\$125	Remaining Disregard
 \$ 566.67	 Reasonably Anticipated Monthly Earned Income
<u>- 125</u>	Less (remaining) Income Disregard
\$ 441.67	Subtotal
<u>- 220.84</u>	Less 50% Earned Income Disregard
\$ 220.83	Subtotal NNI
 \$ 0.00	 Add Reasonably Anticipated Monthly DBI
<u>+ 220</u>	Add Reasonably Anticipated Monthly Earnings
\$ 220	Total NNI [Rounded down]
 \$ 799	 MAP for AU of Four
<u>- 220</u>	Less NNI
\$ 579	New Monthly Grant for the QR Payment Quarter

(MR) Example 3:

A nonexempt AU of four (mother, father, and their two children) has gross earned income of \$775 per month. The father has \$150 in Social Security Disability benefits per month and \$300 in veteran's benefits. The family lives in Region 1.

\$ 150	Disability-Based Unearned Income
<u>- 225</u>	\$225 Income Disregard
-\$75	Remainder of \$225 Income Disregard (\$225 - \$150)

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\$ 775	Earned Income
<u>- 75</u>	Remainder of \$225 Income Disregard (\$225 - \$150)
\$ 700	Subtotal
<u>- 350</u>	50% Earned Income Disregard
=350	Nonexempt Earned Income
+ 0	Nonexempt Unearned Disability-Based Income
<u>+300</u>	Nonexempt Unearned Income (Veteran's Benefits)
\$ 650	Total Net Nonexempt Income
\$ 728	Nonexempt MAP for four (Region 1)
<u>- 650</u>	Net Nonexempt Income
\$ 78	Grant Amount

(QR) Mid-Quarter Changes to Cash Aid

Example 3:

A Region 1 nonexempt AU of three (mother and two children) is in the October, November, and December quarter. On her previous QR 7 received in September, (QR Data Month for the previous quarter was August), mother reported her earned income to be \$600 and that she expected no changes for the next QR Payment Quarter.

\$ 600	Reasonably Anticipated Monthly Income for the Family
<u>- 225</u>	\$225 Income Disregard
\$ 375	Subtotal
<u>- 187.50</u>	50% Earned Income Disregard
\$ 187	Total Net Nonexempt Income [Rounded down]
\$ 704	Non-exempt MAP for Three, Region 1
<u>- 187</u>	Less Net Nonexempt Income
\$ 517	AU Monthly Grant for the QR Payment Quarter

On October 25, the mother voluntarily reports that the father, with no income, moved into the home on October 24. The father is determined eligible and is reasonably anticipated to have monthly income of \$200 for November and \$100 for December.

The Mid-Quarter Grant Calculation for the Remaining Months of the Quarter Would Be:

\$ 200	Father's Reasonably Anticipated Earned Income for November
<u>+ 100</u>	Father's Reasonably Anticipated Earned Income for December
\$ 300	Subtotal Reasonably Anticipated Earned Income for the Remainder of the Payment Quarter

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\$ 150	Father's Earned Income Divided by the Remaining Months of the QR Payment Quarter \$300/2 = \$150 (reasonably anticipated monthly income)
\$ 600	Existing AU's Previously Determined Reasonably Anticipated Monthly Earned Income (not recalculated)
<u>+ 150</u>	Father's Reasonably Anticipated Earned Monthly Income
\$ 750	Total Net Nonexempt Income for the Potential AU
<u>- 225</u>	\$225 Income Disregard
\$ 525	Subtotal
<u>- 262.50</u>	50% Earned Income Disregard
\$ 262	Total Net Nonexempt Averaged Income [Rounded down]
\$ 839	Non-exempt MAP for Four, Region 1(includes eligible father)
<u>- 262</u>	Less Net Nonexempt Income
\$ 577	AU Monthly Grant Payment for the Remaining Months of the QR Payment Quarter

Father is added to the existing AU effective November 1 since his addition to the AU will increase the cash aid. A supplement of \$60 is issued to the AU for November and the grant is increased to \$577 for the month of December.

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**HANDBOOK ENDS HERE**

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| .4  | Special Needs | The amount of the Special Needs shall be calculated as follows:   |
| .41 |               | Round to the next lower dollar the amount of recurring special needs (see Section 44-211) the Assistance Unit (AU) is eligible to receive.  |
| .42 |               | Payment for recurring special needs shall be added to the amount determined payable as the basic grant, provided that the allowance available for each FBU per month for recurring special needs does not exceed the amount resulting from multiplying \$10 by the number of persons in the FBU. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet nonrecurring or pregnancy special needs shall be applied to meet the cost of recurring special needs. |

44-315	AMOUNT OF AID (Continued)	44-315
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.43		The amount determined in .421, up to limitation determined in .422, shall be paid in addition to the basic grant.
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.44		Round to the next lower dollar the amount of nonrecurring special needs (Section 44-211) the AU is eligible to receive.
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.45		Payment for nonrecurring special needs shall be added to the amount determined payable as the basic grant. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet recurring or pregnancy special needs shall be applied to meet the cost of nonrecurring special needs.
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.46		Payment for a pregnancy special need shall be added to the amount determined payable as the basic grant, provided that the pregnant woman has been determined to be eligible for such need in accordance with Section 44-211.4. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet recurring or nonrecurring special needs shall be applied to meet the cost of the pregnancy special need.
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.5	\$10 or More	If the amount determined in Section 44-315.38 is less than ten dollars (\$10), no payment shall be paid for that month. If the beginning date of aid is after the first of the month, and the amount of aid determined in Section 44-315.38 is to be prorated, and the prorated amount is less than ten dollars (\$10), no payment shall be paid for that month. Such cases shall be considered to have received a payment for all other purposes.
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		If the amount determined in Section 44-315.38 is ten dollars (\$10) or more, that amount is the total grant and, if there are no overpayment adjustments, shall be authorized as the aid payment.
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**44-315 AMOUNT OF AID (Continued) 44-315**

- .6 Payment in Installments Aid need not be paid in equal installments.
- .7 Proration of AFDC-FG/U Grant
- .71 When the beginning date of aid is on the first day of the month, the recipient shall be entitled to receive a payment for the full month.
- .72 When the beginning date of aid is after the first of the month (see Section 44-317) or when the last day of aid is before the last day of the month as in State-only AFDC-U Program (see Section 41-609), the total grant shall be prorated. The prorated grant shall be computed as follows:
- .721 Determine the total monthly grant amount (see Section 44-315.38);
- .722 Determine the actual number of days in the month;
- .723 Divide this number into the monthly grant amount to determine the daily grant;
- .724 Determine the total number of days for which the recipient is eligible in that month including the first and last day of aid for that month;
- .725 Multiply this number by the daily grant amount to determine the prorated grant;
- .726 If the prorated grant amount is not a whole dollar, then the prorated amount shall be rounded to the next lower whole dollar. (See Section 44-315.5 if this amount is less than ten dollars.)

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Reciprocal Table for Computing Partial Month's  
Payments Portion of Monthly Rate or Reciprocal  
Table

Day of the month	28-day Month	29-day Month	30-day Month	31-day Month	Day of the month
1st	1.0000	1.0000	1.0000	1.0000	1st
2nd	.9643	.9655	.9667	.9677	2nd
3rd	.9286	.9310	.9333	.9355	3rd
4th	.8929	.8966	.9	.9032	4th
5th	.8571	.8621	.8667	.8710	5th
6th	.8214	.8276	.8333	.8387	6th
7th	.7857	.7931	.8	.8065	7th
8th	.75	.7586	.7667	.7742	8th
9th	.7143	.7241	.7333	.7419	9th
10th	.6786	.6897	.7	.7097	10th
11th	.6429	.6552	.6667	.6774	11th
12th	.6071	.6207	.6333	.6452	12th
13th	.5714	.5862	.6	.6129	13th
14th	.5357	.5517	.5667	.5806	14th
15th	.5	.5172	.5333	.5484	15th
16th	.4643	.4828	.5	.5161	16th
17th	.4286	.4483	.4667	.4839	17th
18th	.3929	.4138	.4333	.4516	18th
19th	.3571	.3793	.4	.4194	19th
20th	.3214	.3448	.3667	.3871	20th
21st	.2857	.3103	.3333	.3548	21st
22nd	.25	.2759	.3	.3226	22nd
23rd	.2143	.2414	.2667	.2903	23rd
24th	.1786	.2069	.2333	.2581	24th
25th	.1429	.1724	.2	.2258	25th

**HANDBOOK CONTINUES**

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Day of the month	28-day Month	29-day Month	30-day Month	31-day Month	Day of the month
26th	.1071	.1379	.1667	.1935	26th
27th	.0714	.1034	.1333	.1613	27th
28th	.0357	.0690	.1	.1290	28th
29th		.0345	.0667	.0968	29th
30th			.0333	.0645	30th
31st				.0323	31st

EXAMPLE: The total monthly grant amount is \$150 (see Section 44-315.43). Aid is to begin on the 17th of March, and March has 31 days. The reciprocal for the 17th day of a 31-day month is .4839. The total monthly grant amount X the reciprocal = the prorated grant amount (\$150 x .4839 = \$72.5850). \$72.5850 is rounded to \$72 which is the amount of the payment (see Section 44-315.432 if the amount of the payment is less than ten dollars).

**HANDBOOK ENDS HERE**

.8 Section 44-315.8(MR) et seq. shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(MR) Suspension

(MR) .81 The county shall suspend, not discontinue, aid in the payment month when income or other circumstances in the corresponding budget month appear to result in ineligibility for only one payment month. The recipient need not reapply for aid for the month following the suspension, however, the recipient is required to complete a monthly report for the month of suspension. If it appears that the income or other circumstances from the budget month will result in ineligibility for more than one payment month, aid is discontinued.

(MR) .82 Aid payments for the month following a suspension shall be computed using prior month budgeting if the family's circumstances have not changed significantly from the corresponding budget period.

