

SHD Paraphrased Regulations - CalFresh

280 Budgeting

280-1 REVISED 8/04

The household's monthly allotment shall be determined from the Coupon Allotment Tables (Handbook §63-1101) on the basis of the household's size and net income. For a household of ___ persons with net income of \$___, the monthly allotment is \$___. (§63-503.324)

280-2

A household's benefit level for the initial month of certification or the first month for which the household is certified for CalFresh participation "following any period during which the household was not certified for participation" will be based on the date of application. (§63-503.13) Handbook §63-1101.4 sets forth the tables for computing this proration. For a household applying on the ___ of a ___-day month with a full month entitlement of \$ ___, the prorated amount is \$ ___. After determining the prorated allotment, the county shall round the product down to the nearer lower whole dollar. If the computation results in an allotment of less than \$10, then no issuance shall be made. (§63-503.132)

280-2B ADDED

1/15An Modified Categorically Eligible household of one or two persons will never have a "zero" benefit – they will always be allowed a minimum benefit. In addition, households of three or more persons that have been conferred MCE status will be entitled to the allotment amount indicated in the benefit of issuance tables by household size even if the household's net income exceeds the maximum amount allowable, even if this amount is under \$10. At the point where there is no corresponding "bracketed amount", the household would be considered having a "zero" benefit.

For households of three or more members which are entitled to no benefits, FNS allows states the option of denying the application or certifying the household and carrying the zero benefit case. California has opted to deny these household who are otherwise CE or MCE and entitled to no benefits.

(ACL 14-56)

280-3B

REVISED

5/16The following regulations set forth the state requirements when the household's recertification is delayed beyond the first of the month of what would have been its new certification period:

- (1) CWD responsible for delay: the household's benefits for the new certification period shall be prorated based on the date of the new application, and the CWD shall provide restored benefits to the household back to the date the household's certification period should have begun had the CWD not erred and the household been able to apply timely.
- (2) Missing verification extension: When a household's eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification, the household shall receive an opportunity to participate, if eligible, within five working days after the household submits the missing verification and benefits shall not be prorated.

(§63-504.61(e) effective June 1, 2001)

280-3C

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The following federal regulation sets forth the federal requirements when there is a delay in processing at the end of a certification period:

"(e) Delayed processing.

"(1) If an eligible household files an application before the end of the certification period but the recertification process cannot be completed within 30 days after the date of application because of State agency fault, the State agency must continue to process the case and provide a full month's allotment for the first month of the new certification period. The State agency shall determine cause for any delay in processing a recertification application in accordance with the provisions of §273.3(h)(1).

"(2) If a household files an application before the end of the certification period, but fails to take a required action, the State agency may deny the case at that time, at the end of the certification period, or at the end of 30 days. Notwithstanding the State's right to issue a denial prior to the end of the certification period, the household has 30 days after the end of the certification period to complete the process and have its application be treated as an application for recertification. If the household takes the required action before the end of the certification period, the State agency must reopen the case and provide a full month's benefits for the initial month of the new certification period. If the household takes the required action after the end of the certification period but within 30 days after the end of the certification period, the State agency shall reopen the case and provide benefits retroactive to the date the household takes the required action. The State agency shall determine cause for any delay in processing a recertification application in accordance with the provisions of §273.3(h)(1).

"(3) If a household files an application within 30 days after the end of the certification period, the application shall be considered an application for recertification; however, benefits must be prorated in accordance with §273.10(a). If a household's application for recertification is delayed beyond the first of the month of what would have been its new certification period through the fault of the State agency, the household's benefits for the new certification period shall be prorated based on the date of the new application, and the State agency shall provide restored benefits to the household back to the date the household's certification period should have begun had the State agency not erred and the household been able to apply timely."

(7 Code of Federal Regulations (CFR) §273.14(e), effective January 20, 2001, and to be implemented no later than June 1, 2001)

280-4 REVISED 8/04

In determining the household's level of benefits for the issuance month, the county shall count as income only that amount actually received by the household in the budget month, except as provided below. (§63-503.232(c) prior to the implementation of prospective budgeting in the county) An exception to the general rule is that the county shall budget stable earned and unearned income which is received on a regular basis as a single monthly payment for the month such income is intended to cover. Households receiving such income shall not have their monthly income varied merely because mailing or payment cycles may cause two payments to be received in one month and none in the next month. (Subsection (c)(2) prior to the implementation of prospective budgeting in the county)

281-1

For purposes of determining the household's eligibility and level of benefits during the beginning

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months, the CWD shall take into account the actual income already received by the household during the month of application and any anticipated income the CWD and the household are reasonably certain will be received during the remaining beginning months. (§63-503.212)

281-1A REVISED

5/16

Under Semi-Annual reporting, if a recipient reports moving out of state, the CWD will terminate benefits for the individual or the entire AU/household mid-period at the end of the month after 10-day.

(All County Letter 12-25, May 17, 2012)

Effective July 1, 2011, when households move out of county, the Inter-County Transfer rules apply; the initial county will continue to provide benefits until the end of the month in which the CalFresh case is transferred.

(§63-503.911(b) effective July 1, 2004; All County Letter 11-22, March 25, 2011)

281-1B ADDED

5/16A household may be ineligible for the month of application, but eligible in the subsequent month due to reported, estimated or anticipated changes in circumstances. Even though denied for the month of application, the household does not have to reapply in the subsequent month. The same application shall be used for the denial for the month of application, and for the determination of eligibility for subsequent months.

(§63-503.14)

281-1C ADDED

5/16The household shall be entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month.

(§63-503.14)

281-2 ADDED

7/15

As a result of reported or anticipated changes in a SAR household, the household's allotment for the month of application may differ from its allotment in subsequent months. (§63-503.151)

281-4

All AFDC (now CalWORKs), GA/GR, RCA and ECA payments for the issuance month shall be anticipated with reasonable certainty in computing the CalFresh entitlement. Such grants are prospectively rather than retrospectively budgeted. (§63-503.232(c)(5))

281-4A ADDED

5/16The anticipated receipt of an initial PA/GA payment is counted in determining eligibility only if the PA/GA payment has been approved and authorized and will be issued within the month. The anticipated receipt of unearned income will only be counted if it is verified that the income will be received within the month.

(§63-503.212(a)(1))

281-7 REVISED 8/04

Welfare and Institutions Code §§11452 and 11453 provide for an increase in the AFDC Minimum Basic Standard of Adequate Care (MBSAC). The Cost-of-Living Adjustment (COLA) increased the MBSAC by 2.6% effective July 1, 1997. (Note that as of January 1, 1998 there is

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no longer an AFDC program, nor do the statutes provide for an automatic COLA.)

For monthly reporting households subject to retrospective budgeting, if the county sends a COLA supplemental payment in the month of July for that month, but did not have time to prospectively budget the supplemental payment, the county shall retrospectively budget it in September. (§63-503.232(c)(5)(A) prior to the implementation of prospective budgeting in the county)

If the July supplement is sent after July 31 (e.g., in August), it is considered a nonrecurring lump sum payment for CalFresh purposes and is counted as a resource in the month it is sent. (§63-502.2(j)) This provision applies to both retrospectively and prospectively budgeted households. (All-County Letter No. 97-32, May 6, 1997)

281-8

"Prospective eligibility" means the determination of a household's eligibility for an issuance month based on an estimate of a household's income, circumstances and composition which will exist in that issuance month. (§63-102(p)(11))

281-11

Under MR/RB, "Retrospective budgeting" is defined as the computation of a household's CalFresh allotment for an issuance month based on actual income and circumstances which existed in the budget month. (§63-102(r)(11), as renumbered effective August 10, 2001)

281-11A

"Budget month" in a retrospective budgeting system means the month from which income and other circumstances (except household composition) of the household are used to calculate the household's allotment for the corresponding issuance month. (§63-102(b)(2))

281-11B REVISED 8/04

"Issuance month" in a monthly reporting and retrospective budgeting system means the month for which a CalFresh allotment is issued. In prospective budgeting, the budget month and issuance month are the same. In retrospective budgeting, the issuance month is the second month after the budget month. (§63-102(i)(9), as renumbered effective March 1, 2002 and renumbered to §63-102(i)(10) effective July 1, 2004. This section is inoperative when prospective budgeting becomes operative in a county)

"Issuance month" in a prospective budgeting system means any month during a quarter for which a CalFresh allotment is issued.

(§63-102(i)(10))

281-12

Federal regulations provide that income deductions which are billed in, or averaged from, the budget month are used in determining the benefit level in the issuance month. (7 Code of Federal Regulations (CFR) §273.21(j)(1)(vii)(C))

281-13 REVISED 8/04

Under MR/RB, for purposes of determining the household's eligibility and level of benefits during the beginning months, the county shall take into account the actual income already received by

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the household during the month of application and any anticipated income the county and the household are reasonably certain will be received during the remaining beginning months. (§63-503.212(a) prior to the implementation of prospective budgeting in the county)

281-14

"Prospective budgeting" means the computation of a household's CalFresh allotment for an issuance month based on an estimate of income and circumstances which will exist in that month. (§63-102(p)(10))

281-15 REVISED 8/04

Under MR/RB, for changes that could not be or were not anticipated, by the household or the county which result in a one-month period of ineligibility, the county shall suspend the household for the issuance month corresponding to the budget month in which the change occurred. (§63-504.372 prior to the implementation of prospective budgeting in the county)

282-1 REVISED 8/04

Generally, discontinued income is defined as any income that a household received in a budget month from a source that no longer provides income to the household. (§63-503.232(d) prior to the implementation of prospective budgeting in the county)

Discontinued income which was included in the household's prospective budget shall be disregarded when the beginning month becomes the budget month. (§63-503.232(d)(1) prior to the implementation of prospective budgeting in the county)

282-2A REVISED 8/04

After the beginning months, households which receive AFDC (now CalWORKs), GA/GR, RCA or ECA payments in the issuance month and have income in the corresponding budget month shall have this income disregarded if: (1) the income has been discontinued; (2) the household reported the termination of the income; (3) the county has sufficient time to process the change and affect the allotment in the issuance month corresponding to the budget month in which the income stopped; and (4) the AFDC (now CalWORKs), GA/GR, RCA or ECA payments are increased as a result of the termination of the income. (§63-503.232(d)(2), prior to the implementation of prospective budgeting in the county)

282-3

Federal regulations provide that when the CalFresh household receives a Public Assistance (PA) grant, the state agency shall disregard income received from a terminated source which results in an increase in the PA grant, provided the household has reported the termination of the income either in the monthly report for the budget month or in some other manner which the state agency has determined gives the agency sufficient time to process the change and affect the allotment in the issuance month. (7 Code of Federal Regulations §273.21(j)(1)(vii)(B)(2))

283-1 REVISED 8/04

A GA/GR payment received in the current month covering a period which begins in the current month and ends in the next month, is counted as income in the current month. (§63-503.232(c)(3) prior to the implementation of prospective budgeting in the county)

284-1 REVISED 8/04

Under MR/RB, for changes which result in an increase in the household's benefits due to the addition of a new household member, the county shall make the change effective the first of the

month following the month in which the change is reported. To complete this determination, the county shall have the option of requiring the household to complete the CA 8 or to contact the household to obtain the necessary information for the new member and update the last application. The county shall prospectively budget the new member's income and specific deductions in combination with the existing household's retrospectively budgeted income and deductions during the first two months the new member is added to the household.

(§63-504.353 prior to the implementation of prospective budgeting in the county)

284-2 REVISED 8/04

Under MR/RB, if the reported change results in an increase or decrease in a household's benefits due to the addition of a new household member, the county shall make a determination of the new household member's eligibility within 30 days of the date the change was reported. (§63-504.353 prior to the implementation of prospective budgeting in the county)

**284-3 REVISED
5/16**

County action to increase the grant and/or allotment based on voluntary reports shall be based on when the change was reported, not when the change actually occurred. The effective date of the increase in benefits is determined differently for increases due to decreased income than for increases due to adding household members and are as follows:

- Increases due to decreased income are effective the first of the month in which the change occurs or is reported, whichever is later.
- Increases due to the addition of new household members are effective the first of the month following the report of the change.

(ACL 12-25, p. 48)

284-3A ADDED

5/16A change in household composition is considered verified upon receipt. Once the county has been made aware of the change in household composition, the household's eligibility is now in question and further information is needed to determine continuing eligibility.

The county must confirm that the new person is a mandatory household member. Next, if the new member has income, the county should inquire if the new income, combined with the household's current income, exceeds the IRT. If the new member does not have income or their income does not exceed the IRT:

- For a PA CalFresh case, if the report of the new household member with income is under the IRT, counties shall only act on changes that result in an increase of benefits. When the change is reported but not verified, the county shall send a Request for Verification (CF 377.6) asking for the required verification within 10 days. If verification is not received within 10 days, the county shall send a No Change NOA to the household reminding them to report and provide the needed verification regarding the new household member on the next SAR 7 or at recertification.
- For a NA case, if adding the new person and their income would increase benefit amounts, the county should add the new person and their income to the household

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effective the first of the month following the month when the new member was reported assuming all needed verification has been submitted. If benefits will decrease, the county shall send a No Change NOA and add the person and their income effective the first month of the next semi-annual period.

- If the amount of income is not certain, the county must send a Request for Contact (RFC, form CF 32) requesting all required verification for the new member and their income and document the case record (refer to ACL 13-57). If the RFC is not returned or is returned incomplete, discontinue the household for failing to respond to the RFC and issue a CF 377.4 SAR (refer to ACL 13-57). If the RFC is returned complete, add the new member to the household their income.

Determine if the household's income exceeds the IRT for the larger household size, the household is ineligible and shall be terminated. If the income is under the next IRT, add the new member and calculate benefits. If the income is over the IRT, this is considered a mandatory report.

(All County Information Notice I-58-13, September 12, 2013, Q. 29.)

284-3B ADDED 8/04

Recipients may voluntarily report changes in household composition at any time during the quarter. If the change results in increased benefits, action shall be taken to add the person the first of the month following the month in which the change was reported, after all verification has been provided. If the addition of a new person does not result in increased benefits, no action shall be taken to change the household's benefits until the following quarter. (§63-509(f))

284-3C ADDED 8/04

In any circumstance where a new household member has income, only that member's income is averaged over the remaining months of the quarter. The new household member's income is averaged and then added to the existing household's averaged income to determine if benefits are to be increased or would result in a decrease mid-quarter. (§63-509(f)(2))

284-3D REVISED 11/05

If the addition of a new person in the household would result in a decrease in benefits or ineligibility of the household, the county shall take no action mid-quarter. The county shall issue a notice of action advising the household that the voluntary report did not increase household benefits and that the household must report the new household member on the next QR 7.

Only voluntarily reported income exceeding 130% of the FPL of a Non Assistance CalFresh household excluding the mid-quarter report of a new household member and his/her income shall render the household ineligible.

(§§63-509(f)(3) and(4))

284-4 ADDED

1/13When an application is made for cash aid or CalFresh benefits for a child who is currently aided in another assistance unit or household, the county is responsible for insuring that aid be provided to the new applicant as soon as possible. If the county determines that pursuant to the relevant program rules, the child should be aided in the applicant household; the county discontinues aid for the child in the former assistance unit or household mid-quarter and grants

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cash aid and CalFresh benefits to the new assistance unit or household. If the child was the only eligible child in the former assistance unit, and the remaining adult is not an eligible pregnant woman, both cash aid and CalFresh benefits are discontinued for the entire assistance unit or household and Transitional CalFresh benefits are provided to the remaining member(s) in order to prevent duplicate aid for the child that moved to the new assistance unit or household. (ACIN No. I-21-12, April 23, 2012)

284-5 ADDED

5/16 If a new household member is reported after the date of application but before aid has been granted, the new household member is included in the household effective the date of the household's application.

If the new household member comes into the home in the month following the month of application, the new member is added effective the first of the month following the month of application.

If the report of the new household member occurs subsequent to the application being approved, the new household member would be added the first of the following month. (All County Letter 12-25E, December 16, 2013, p. 32)

285-3 ADDED 2/04

Increases in benefits due to decreased income are effective the first of the month in which the change is reported. Increases due to the addition of a new household member are effective the first of the month following the report of the change. (All-County Letter No. 03-18, April 29, 2003, pp.42)

285-3A ADDED 10/15

If a household voluntarily reports mid-period that a member has left the home, the County must delete the individual and his/her income and specific deductions effective the first of the month following the month when the change was reported. §63-504.356

286-1 REVISED 8/04

Prior to the transition mandated by Welfare and Institutions Code 18910(g) the following households (HHs) were to be excluded from monthly reporting and retrospective budgeting prior to prospective budgeting and from quarterly/semi-annual reporting with the implementation of prospective budgeting in the county:

1. Migrant farmworker HHs, as defined in §63-102m., now (m).
2. Seasonal farmworker HHs, as defined in §63-102s., now (s).
3. HHs in which all adult members are elderly or disabled, as defined in §63-102e., now (e), and have no earned income.
4. HHs in which all members are homeless individuals, as defined in §63-102h.(1), now (h)(1).

(§63-505.21)

286-1A ADDED 12/15

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Counties are required to transition change reporting households into semi-annual reporting during calendar year 2016. The transition is being completed by July 1, 2016.
(All County Letter 15-90, October 30, 2015, Welfare and Institutions Code 18910(g))

286-2 REVISED 5/16

Change reporting households (HHs) are required to report only the following changes:

1. Changes in the sources of income, including starting or stopping a job or changing jobs, if the change is accompanied by a change in income. In addition, changes in the amount of earned monthly income of more than \$100 per month, since the last time the household's allotment was calculated. Such earned income households can be certified for no more than six months
2. Changes in unearned income in excess of \$50 monthly. Changes in public assistance or general assistance are not required to be reported.
3. Changes in HH composition.
4. Changes in residence and resulting shelter expense changes.
5. The acquisition of a licensed vehicle not fully excluded under §63-501.
6. Liquid resources, when they exceed the maximum resource standard.
7. A change in the amount of child support payments made to a non-HH member, and/or a change in the legal obligation to pay child support.
8. For households subject to ABAWD, a reduction in work effort to less than 20 hours per week or averaged monthly 80 hours per month.

(§63-505.51 revised effective November 1, 2003)

286-2A ADDED

12/15 Change reporting households are required to report changes of address within ten days. The change may be reported by telephone, by personal contact, or by mail, and may be reported by a household member or the household's authorized representative. When the report is made by mail, it may not reach the CWD within the ten-day period. Households will have met the reporting requirement provided the letter is postmarked within the ten-day period.
(All County Letter 15-94, November 3, 2015)

286-3

REVISED

5/16 In general, when a household reports a change which will increase its allotment, the county shall make the change no later than the first allotment issued 10 days after the date the change was reported to the county. (§63-504.422(a))

When the increased benefits are due to the addition of a new household member who is not a member of another certified household, or are due to a decrease of \$50 or more in the household's gross monthly income, the county shall make the change effective not later than the month following the reported change. (§63-504.422(b))

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The county shall restore lost benefits to the household if it failed to take action within the above time frames.

(§63-504.422(b))

286-4 ADDED

10/15 If a change reporting household's benefits decrease or the household becomes ineligible as a result of the change, the CWD shall issue a timely notice of action within 10 days of the date the change was reported. The decrease in benefits shall be made effective not later than the issuance date for the month following the month in which the timely notice period expires, provided a state hearing and continuation of benefits have not been requested. (§63-504.423)

288-0 ADDED

8/14 State law provides that to the extent permitted by federal law, regulations, waivers, and directives, the California Department of Social Services shall implement the prospective budgeting, semiannual reporting system provided in W&IC sections 11265.1, 11265.2, and 11265.3, and related provisions, regarding CalFresh, in a cost-effective manner that promotes compatibility between the CalWORKs program and CalFresh, and minimizes the potential for payment errors; and that CDSS shall seek all necessary waivers from the United States Department of Agriculture to implement the CalFresh semi-annual reporting system. (W&IC §18910(a) and (c))

288-1 ADDED 12/04

The following households are excluded from quarterly reporting and semi-annual reporting:

.211 "Migrant farmworker" households (§63-102(m))

.212 "Seasonal farmworker" households (§63-102(s))

.213 Households with no earned income, and in which all adult members are "elderly or disabled" (§63-102(e))

.214 Households in which all members are "homeless" (§63-102(h)(1))

.215 Households residing on Indian reservations.

(§63-505.21, All County Letter 12-25, May 12, 2012)

288-2 ADDED 2/04

The county will use information on the SAR 7/SAWS 2 to determine continuing eligibility and future benefit amounts based on all eligibility factors. Based on information provided on the SAR 7/SAWS 2, the county will determine continuing eligibility as it relates to property, income deprivation (CalWORKs only), and household composition using prospective budgeting rules. (All County Letter 12-25, May 12, 2012)

288-2A ADDED 2/04

The prospective budgeting system uses anticipated income/prospective budgeting to determine a recipient's benefits. Prospective budgeting requires the county to use income that the recipient *reasonably anticipates* it will receive during the certification period. (All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

288-3A MODIFIED

5/16 Income is “reasonably anticipated” when the recipient and CWD determines it is reasonably certain that the recipient will receive a specified amount of monthly income in the certification period. If the amount of income that will be received or when it will be received is uncertain, the portion of the AU/household’s income that is uncertain shall not be counted. This definition applies to earned and unearned income.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3B ADDED

9/13 Under SAR, recipients will no longer be required to report an exact amount of anticipated monthly income for each month of the SAR period. Instead, recipients will be required to provide information for the Data Month and any anticipated changes in the six months following the Submit Month. The income received in the Data Month will be considered reasonably anticipated and will be used in the budget calculation unless the recipient reports that they anticipate a change in the upcoming SAR Period.

(All County Letter 12-25, May 17, 2012)

288-3C ADDED

9/13 If an AU/household anticipates receipt of new income from a new source in the upcoming months within the certification period, such as a new job or UI benefits, this income shall only be considered reasonably anticipated if the county determines that:

- The AU/household verifies that the income has been or will be approved or authorized within the upcoming months of the certification period, or the household is otherwise reasonably certain that the income will be received within the SAR period;
- The anticipated amount of the income is known and verified, or the AU/household is otherwise reasonably certain of the amount of the income; and
- The start date of the income is known and verified, or the AU/household is otherwise reasonably certain of the start date of the income.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3D ADDED

9/13 If an AU/household anticipates receipt of new income in the upcoming months of the certification period, but does not have reasonable certainty of the dates and amounts expected to be received, this income cannot be considered reasonably anticipated and therefore shall not be used in determining the benefits for the upcoming months of the certification period. If the new income exceeds the IRT mid-period, then the recipient would have to report it and benefits will be recalculated as necessary.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3E ADDED

9/13 If the AU/household’s monthly income fluctuates or they expect the income received in the Data Month to change in the upcoming months of the certification Period, the county must attempt to find out the amount of income the AU/household reasonably expects to receive, in order to determine what income, if any, can be reasonably anticipated and used in the next SAR

Payment Period's benefit calculation. Only that portion of income that the AU/household reasonably anticipates it will receive can be used in the benefit calculation. If, for example, a recipient has fluctuating income, but agrees that she usually makes at least a minimum of \$200 a month, the minimum anticipated income can be anticipated. If however, a recipient can't anticipate an amount or if she will get paid in the upcoming semi-annual period, then no income can be reasonably anticipated.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3F ADDED

9/13If the recipient states that the Data Month income is not typical, explains why, and lists an estimate of future income, barring any information to the contrary, the recipient's estimate of future income should be used.

(All County Letter 12-25, May 17, 2012)

288-3G REVISED

5/16When the AU/household reports anticipating fluctuations from their Data Month income, the determination of whether income is reasonably anticipated will require additional steps and thorough case documentation. In situations where the recipient expects a change or has fluctuating income, and either cannot or does not provide an estimate of what is reasonably anticipated, the following guidelines can be helpful to the CWD in working with the recipient to determine what income, if any, can be reasonably anticipated for the upcoming semi-annual period:

- Take into account any changes in income from the Data Month that the AU/household reasonably anticipates for the upcoming certification period. If the AU/household reports that they expect changes from the income received in the Data Month, but do not know how much their income will change or when the changes will take place, Data Month income shall be used until the recipient reports a reasonably anticipated change.
- If the AU/household reports that their income fluctuates significantly month to month that they cannot reasonably anticipate any income, and that in some months they don't receive any income, barring any information to the contrary, the CWD should accept this statement and no income should be budgeted.
- If the AU/household is unable to estimate future income with the CWD's assistance, the CWD, with written authorization from the recipient, may contact the employer or other source of income.
- If unable to obtain additional source information, the CWD may take into account past income received by the AU/household to determine whether or not the Data Month income is representative of the AU/household's typical pay but past income shall not be used as an indicator of anticipated income if changes to the income have occurred or are anticipated.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3H

If income fluctuates to the extent that a 30- day period alone cannot provide an accurate projection of future income, the CWDs may look back to the prior semi-annual period for historical income information.

(All County Letter 12-25, May 17, 2012)

288-3I

In the CalFresh Program, households which, by contract or self-employment, derive their annual income in a period of time shorter than one year shall have that income averaged over the SAR period (contingent upon federal waiver approval) provided the income from the contract is not received on an hourly or piecework basis. These households may include school employees, sharecroppers, farmers, and other self-employed households. However, these provisions do not apply to migrant or seasonal farm workers. Contract income which is not a household's annual income and is not paid on an hourly or piecework basis shall be prorated over the period the income is intended to cover. CalWORKs does not have special rules for the treatment of income for AU's that derive their annual income in a period of time shorter than one year; however, in order to align with CalFresh, CalWORKs cases that are also receiving CalFresh will follow the budgeting rules explained above.

(All County Letter 12-25, May 17, 2012)

288-3J

Income that the recipient anticipates will begin or end in one of the months of the upcoming months of the certification Period will only be counted in the months that the income is reasonably anticipated to be received.

(All County Letter 12-25, May 17, 2012; All County Letter 13-17, March 22, 2013, p. 7)

288-3K

If the AU/household is certain that their income will be ending or new income will be starting in a certain month of the SAR Payment Period, this income will only be used to determine benefit amounts for the months in which it is reasonably anticipated to be received. In these situations, the CWD shall calculate two different benefit levels for the semi-annual period: one benefit amount for the months in which the income will be received and one benefit amount for the months in which the income will not be received.

(All County Letter 12-25, May 17, 2012)

288-3L MODIFIED

5/16CWDs are not to anticipate UIB if the payment amount and date of receipt are unknown. If there is no reasonable certainty of the amount and the date of receipt, anticipated UIB income cannot be used to establish eligibility and/or benefit levels. Additionally, if UIB was not used due to the fact that it could not be reasonably anticipated and at a later time the CWD learns that the client did indeed receive UIB, no overissuance exists. (ACL 11-49, August 11, 2011)

Regarding whether receipt of Unemployment Insurance Benefits (UIB) can be reasonably anticipated, while knowing an exact start date is not always necessary, the client must be reasonably certain of the initial month of receipt and the amount that will be received in order for a monthly amount to be reasonably anticipated.

(All County Letter 14-77, October 15, 2014, p. 3)

288-3M REVISED 11/05

When the household has or reports income that will change during the next quarter, the determination of whether income is reasonably anticipated will require additional steps and thorough case documentation. First use the household's anticipation of income if the household is able to provide it and if there is no conflicting information. If the information is questionable or

the household is unable to anticipate future income, the household may be contacted to obtain additional information about anticipated pay and/or hours of work. If the household cannot be contacted, or if the household and/or county are unable to anticipate future income levels, the recipient or the county with the recipient's written permission, may contact the recipient's employer regarding anticipated work hours or pay.

If the county is still unable to reasonably anticipate future income, the county may also look at the recipient's prior work patterns to assist in determining the number of future work hours, if the recipient states that he/she had prior work hours/wages that are similar to the anticipated work pattern.. This may include asking the recipient to provide available prior work information and/or reviewing information in the case file. The county is not limited to reviewing income from the previous quarter only, but may use income information from the past 12 months to help establish patterns in income. However, if the household states that future income/work hours will differ from prior work patterns, the county shall not use the prior work patterns to determine income for the upcoming quarter. (§63-509(a)(6))

288-3N ADDED

5/16Under SAR, income that is starting or ending mid-period will no longer be averaged over every month of the Payment Period. Income that the recipient anticipates will begin or end in one of the months of the upcoming months of the certification Period will only be counted in the months that the income is reasonably anticipated to be received. This is a change from QR/PB and will allow an AU/household to receive the maximum benefit amount in the months in which this income is not received. This rule holds true for applicant cases as well; income from the month of application will only be used to determine eligibility and benefit amount in the month in which it was received.

(All County Letter 12-25, May 17, 2012, p. 32; All County Letter 13-17, March 22, 2013, p. 7)

288-4 REVISED

5/16If income from the data month will remain the same in the upcoming certification period the county shall compute the CalFresh allotment based on income reported for the data month. If income is received weekly it shall be converted to monthly by using a 4.33 conversion factor. If it is received bi-weekly, it shall be converted to monthly by using a 2.167 conversion factor. The conversion figures may only be used if income is received weekly or bi-weekly throughout the certification period. (§63-509(a)(5))

288-4A

Each paycheck does not need to be the same amount; however, the AU/household must anticipate that their monthly income will continue, in order to convert the income into a monthly average. For example, if a recipient reports receiving four checks in the Data Month and explains that one of the checks was higher or lower than usual, but that the other three checks are representative of their weekly income and they expect that amount to continue, the CWD can use the conversion factor to convert the three representative weekly paychecks into a monthly average. In that situation, the conversion factor would be applied to the reasonably anticipated income, rather than the Data Month income because the Data Month income is not expected to continue.

(All County Letter 12-25, May 17, 2012, p. 28)

288-4B

If the AU/household receives weekly or bi-weekly paychecks, but their income fluctuates month to month and they cannot reasonably anticipate that their Data Month income will continue at

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the same amount, the conversion multipliers will not be used to convert the Data Month income into a monthly average. In this case, the CWD should accept the AU/household's estimate of reasonably anticipated income or when that estimate is questionable, contact the AU/household to determine what monthly income (if any) can be reasonably anticipated.
All County Letter 12-25, May 17, 2012, p. 28)

288-4C ADDED 8/04

Income and household information from the Data Month and anticipated changes in income and expenses must be considered when determining eligibility and benefit levels for a certification period. Documentation is required in the case folder which explains how income was projected in determining benefit calculations. Case narrative entries must include, but are not limited to, income the recipient states is expected in future months, whether anticipated income will be different than income reported for the Data Month, documentation for not accepting the recipient's estimate if information is questionable, and other information used to determine what income the county will use to calculate benefits (e.g., employer's statements, case history, etc.)
All County Letter 12-25, May 17, 2012, p. 25; All County Letter 13-17, March 22, 2013, p. 7)

288-4D REVISED 2/05

For purposes of calculating CalFresh benefits, the county shall not average the CalWORKs grant. The actual CalWORKs grant must be used. (§63-509(a)(4)(A), All County Letter 12-25, May 12, 2012, p 33)

288-6 ADDED 8/04

Counties shall ensure that households receive the SAR 7/SAWS 2 at the end of the Data Month and no later than the first day of the Submit Month. Information reported on the SAR 7/SAWS 2 shall be used to determine eligibility and to prospectively budget income to determine the benefit level for the upcoming certification period . All County Letter 12-25, May 12, 2012; All County Letter 13-17, March 22, 2013, p. 7))

288-8C MODIFIED

5/16For household composition and income changes in non-assistance CalFresh (NACF) cases, County Welfare Departments must act on changes considered verified upon receipt (VUR) to reduce or terminate benefits at any point during the certification period. As allowed by 7 CFR 273.12(a)(5)(vi), for voluntary changes outside of the SAR 7 or SAWS 2, counties shall not act to reduce CalFresh benefits, if the household reports a change for another public assistance program and the change does not trigger action in that other program.
(All County Letter No. 13-17, March 22, 2013)

288-8D MODIFIED

5/16No action is taken on the CalFresh case if no action is taken on the PA (public assistance) case and that report is mandatory for the public assistance program. If the case is a Non Assistance CalFresh case, a report of income under the IRT is considered verified upon receipt and must be acted upon.
(ACIN I-58-13E, March 28, 2014 [emphasis in original indicating revised language in Answer to Question 27 regarding ACL No. 13-17, March 22, 2013, Example 3, p. 5])

288-8E ADDED 8/14

In the case of a voluntary mid-period report that is verified upon receipt (VUR), the CalFresh budget must be revised to reflect the change in income for the remainder of the certification

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period regardless of whether or not CalWORKs takes an action. (ACIN I-58-13, September 23, 2013, Answer to Question 1, in pertinent part)

288-8F REVISED

5/16 Verified upon receipt means that the information provided is not questionable, the provider is the primary source of the information, and no further information is needed to take action.

Examples of information from the primary source considered verified upon receipt include:

- BENDEX and SDX from the Social Security Administration
- SAVE from the United States Citizenship and Immigration Services
- Unemployment compensation for the state unemployment agency
- Worker's compensation from the state agency

Examples of internal agency information that is considered verified upon receipt include:

- State agency determination of an IPV
- Actions taken by other programs within the county agency that affect CalFresh expenses
- Information from a state, county or local work agency that a client failed to comply with work requirements

If secondary information is requested for verification in order to act on a change in another program (such as Medi-Cal), then by definition it is not verified upon receipt. Documentation may constitute verification in another program without being considered verified upon receipt in CalFresh.

(All County Letter 13-17, March 22, 2013, p. 4)

288-8G ADDED

5/16 CWDs can hold the results of an IEVS match until the interim report or recertification if the information is not considered verified upon receipt. Information not considered VUR includes (but is not limited to): quarterly wage match data, new hire matches, unearned income matches from Internal Revenue Service, and wage data from the Social Security Administration. (All County Letter 13-17, March 22, 2013, p. 4)

288-8H ADDED

5/16 Changes that cannot be verified by client statement alone are:

- Income;
- Medical costs for a deduction;
- Legal obligations to pay child support and the amount paid.

(All County Letter 13-17, March 22, 2013, p. 3)

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288-8I ADDED

5/16A voluntary report of household composition change by the head of household or responsible adult household member is considered verified upon receipt, and must be acted on. For reports of household composition change by another source, counties must contact the household to verify eligibility.

(All County Letter 13-17, March 22, 2013, p. 4)

288-8J ADDED

5/16If an AU/household makes a mid-period report of increased income that is not over the IRT and if such income is considered Verified Upon Receipt, the county must act on the change.

(All County Letter 12-25E, December 16, 2013, p. 9)

288-12 ADDED

5/16If a report of decreased income for the Data Month is reported for the first time on the SAR 7, that will also be considered a voluntary mid-period report for the upcoming months of the certification Period, and the county must determine if a supplement is warranted for the sixth month of the current SAR Payment Period (i.e. the SAR Submit Month).

(ACL 12-25, p. 12; All County Letter 13-17, March 22, 2013, p. 7)

288-13 ADDED

5/16Under SAR budgeting, CalFresh recipients (except change reporters and households with no gross income test (households with an elderly or disabled member) are required to report the following changes mid-period to the county within 10 calendar days of the date the change becomes known to the household:

- The amount likely to render the recipient ineligible for CalFresh benefits (i.e., 130 percent of the FPL) for those households subject to the Income Reporting Threshold (IRT).
- Non Assistance CalFresh Only: Non Assistance CalFresh recipients who are required to meet the ABAWD work rule must also report any reduction in the number of hours worked to less than 20 hours per week or 80 hours per month.

Changes of address are not mandatory mid-period reports for CalFresh households.

(All County Letter 12-25, May 17, 2012, p. 36; (All County Letter 12-25E, December 16, 2013, p. 2-4)

288-13A ADDED

5/16CalFresh households are not required to report mid-period changes of address, however if they report the change, the county must act on the change whether it causes an increase or decrease in benefits. The county may verify the change, or only verify if the change is questionable. If the county requests verification of the address change and resulting shelter costs and the household does not respond, the budget will be computed without a shelter cost deduction. Once the verification is provided (or if the change is verified at the time of the report or is not questionable), the benefit will be increased effective no later than the first allotment issued 10 days after the date the change was verified.

(All County Letter 12-25E, December 16, 2013, p. 8)

288-14 ADDED

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5/16The only required mid-period report of income is when household income exceeds 130 percent of the federal poverty level (FPL) which is the income reporting threshold (IRT) for the household size. In the event of a voluntary mid-period report of income less than the IRT that is not verified, counties must note the report of the change in the case record, and send out a 'No Change Notice of Action'. However, if a household provides undisputed verification that requires no further inquiry and is verified upon receipt, then the county must act to reduce benefits. (All County Letter 13-17, March 22, 2013, p. 4)

288-14A ADDED

5/16If the income over the IRT will continue, but is not at a level that will result in ineligibility for benefits, the county must use the new reasonably anticipated income to recalculate the grant amount for the remaining months of the semi-annual period. (All County Letter 12-25, May 17, 2012, p. 42)

288-15 ADDED

5/16Households reporting an unanticipated one-time increase in income that is not expected to continue (e.g., receipt of an extra paycheck in a month or an increase in pay due to overtime or extra hours) are not required to report additional one-time increases in income in the same SAR period.

In the event a household reports their income may be over the CalFresh IRT, CWDs must ask if the income is expected to continue. If the income is not expected to continue, no action is taken. (All County Letter 13-17, March 22, 2013, p. 6)

288-16 ADDED

5/16If the requested IRT verification is not received by the due date, the county will send a discontinuance notice for lack of receipt of the requested information needed to accurately determine eligibility or benefit level. If the requested verification is received by the due date, and documentation verifies that the household is over the IRT, the county will send a discontinuance notice. If the household returns the verification form stating they are earning an amount less than the household's IRT, and the information is not VUR, send out a 'No Change NOA' and note in case record for the SAR 7 or SAWS 2. If the household returns the form with verification of earnings under the household IRT that is considered VUR, send out a notice and then adjust the household amount. (All County Letter 13-17, March 22, 2013, p. 6)

288-17 ADDED

5/16CalFresh recipients are not required to report a change in drug or fleeing felon status or probation/parole violations mid-period.

Nonassistance CalFresh households would report the change in drug or fleeing felon status or probation/parole violations during the semi-annual period, and at the next recertification the county would discontinue the individual.

For Public Assistance CalFresh households if a change in drug or fleeing felon status or a parole/probation violation is reported and confirmed for the CalWORKs case, counties will be required to act on the reported information in the CalFresh case. The county must discontinue the individual from CalFresh at the same time as the CalWORKs action, at the end of the month after 10-day notice can be provided.

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(All County Letter 12-25E, December 16, 2013, p. 3)

288-18 ADDED

5/16If a recipient has made a voluntary or mandatory mid-period report, the information from that report shall be considered part of the case record, regardless of whether it resulted in a mid-period benefit change. If the mid-period report was verified, the county shall enter the information into the eligibility system, and either act on the change (if permitted under mid-period changes as described in this letter), or shall hold action on the change until the next semi-annual period, and send the recipient a “no-change Notice of Action (NOA)”. This change does not need to be re-verified, unless there has been a subsequent change or it is information that needs to be verified every reporting period, such as income or resources.

If the report was not verified, and does not affect the benefits mid-period, the county shall send the recipient a “no-change notice of action” reminding the recipient to list the change on the next SAR 7 or annual RD/RC forms as appropriate, and specifying the verification that will be required.

(All County Letter 12-25, May 17, 2012, p. 20)

288-19 ADDED

5/16If other information received by the county indicates that the reported changes on the SAR 7 were not known to the recipient until after the Data Month, the change shall be treated as a voluntary mid-period report. All other reports received in the Submit Month, outside of the SAR 7 reporting process, shall also be considered voluntary mid-period reports. Furthermore, if a report of decreased income for the Data Month is reported for the first time on the SAR 7, that will also be considered a voluntary mid-period report for the current Payment Period, and the CWD must determine if a supplement is warranted for the sixth month of the current SAR Payment Period (i.e. the SAR Submit Month).

(All County Letter 12-25, May 17, 2012, p. 12)

288-20 ADDED

5/16CWDs must act on changes that:

- Are required to be reported on the SAR 7;
- Are considered verified upon receipt and result in a mid-period decrease in CalFresh benefits;
- Result in a mid-period increase in CalFresh benefits due to a change in household composition or a decrease in income that is verified;
- Result in a decrease/discontinuance based on mandatory mid-period reports;
- Result in a decrease/discontinuance based on county-initiated actions; or
- The household requests discontinuance.

(All County Letter 13-17, March 22, 2013, p. 3)

288-21 ADDED

5/16In addition to making mid-payment period adjustments to benefits as a result of mandatory and voluntary recipient reports mid-payment period, action shall also be taken on certain

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changes in eligibility status at the end of the month in which timely and adequate notice can be provided to the household. The changes that are considered county-initiated and can occur any time during the payment period are:

- Sanctions or financial penalties;
- Failure of a member of the household to comply with a Quality Control Review;
- Discontinuances due to the termination of a CalWORKs inter-county transfer as described in MPP Section 63-503.7;
- Benefits are applied for and approved for a household member in another household or for the household;
- Change from state funding California Food Assistance Program (CFAP) to federal SNAP which shall be seamless to the client;
- Cost of Living adjustments (COLAs) for the CalFresh, CalWORKs, General Assistance and for those COLAs administered by the Social Security Administration;
- Adjustments due to erroneous or incomplete recipient SAR 7 or mid-period reports of information or lack of action by the county on the SAR 7 or mid-period recipient reports;
- The three-month limit for an ABAWD ends or an ABAWD who is not exempt and doesn't reside in an area with an ABAWD waiver who has regained eligibility and subsequently stops meeting the work requirements;
- Discontinuance due to an ineligibility determination when recertification falls outside the Submit Month;
- The CWD discovers Transitional CalFresh recipients have moved out-of-state and are receiving public benefits (TANF and/or SNAP) in another state (ACIN I-41-10);
- A member of the household receives SSI/SSP benefits; and
- Adjustments to correct erroneous payments.

The county must take action to reduce benefits effective the first day of the next month in the certification period when 10-day notice of decrease in benefits can be provided.

(All County Letter 12-25, May 17, 2012, p. 67)

288-22 ADDED

5/16A mid-period report of increased shelter costs is a voluntary mid-period report. CWDs must calculate whether the change in shelter costs would result in an increase in benefits, and if so, provide a supplemental payment if applicable and recalculate the benefits for the remaining months in the semi-annual period. The new shelter deduction amount is a fixed deduction that will remain the same until another change is reported or until the next recertification occurs.

If the shelter cost would result in a decrease in benefits, the CWD must notify the recipient that benefits will not change.

If the county requires additional verification, they shall issue a written request for verification. For CalFresh, changes in shelter costs must be verified within 10 days of the report or the CWD; if unverified, the CWD must notify the household their allotment will be recalculated without the deduction.

(All County Letter 12-25E, December 16, 2013, p. 15)

288-23 ADDED

5/16 Multiple changes during a payment period shall be acted upon in accordance with prospective budgeting rules for mandatory and voluntary recipient reports, and on county-initiated and third party reports. Each change shall be acted upon separately, using the rule that

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is unique to that type of change. Circumstances shall not be combined to effect a change in benefits.

A household may voluntarily report a change that does not result in an increase to benefits, and later in the period report another change that was required to be reported, which would result in a decrease to benefits. A change shall not be made on the voluntary report; however benefits shall be decreased later based on the mid-payment period report. The decrease in benefits shall be based solely on the circumstances resulting from the mandatory report. However, if the voluntary report is considered Verified Upon Receipt, the County must act on that change. (§63-509(l); (All County Letter 12-25, May 17, 2012, p. 73);(All County Letter 12-25E, December 16, 2013, p. 27)

288-24 ADDED

5/16Where two or more changes are reported to the county at the same time, the county must evaluate each change separately and in the order they occurred, keeping in mind the timing of when benefits may be increased based on decreased income and new household members being added to the household unit. This evaluation applies to mandatory as well as voluntary reports of changes.

(§63-509(f)(4); All County Letter 12-25, May 17, 2012, p. 73)

288-25 ADDED

5/16Reports of a change in household composition are considered verified upon receipt. If the household reports the addition of a new household member, the household's eligibility is now in question and further information is needed to determine continuing eligibility. The county must confirm that the new person is a mandatory household member. If the new member does not have income or if the new income, combined with the household's current income, does not exceed the IRT, the county must inform the household (see ACL 13-57) of the action necessary to add the new household member and note such action in the case record. If the household does not respond to add the new household member, no case action is taken. The household must report the change on the next SAR 7 or recertification, whichever comes first.

If the household responds with all needed verifications, the county adds the new member and their income and adjust benefits accordingly.

If the income is over the IRT, this is considered a mandatory report. If the income is under the next IRT, add the new member and calculate benefits.

If the amount of income is not certain, the county must send a Request for Contact (RFC) requesting all required verification for the new member and their income and document the case record (refer to ACL 13-57). If the RFC is not returned or is returned incomplete, the county discontinues the household for failing to respond to the RFC and issues a CF 377.4 SAR (refer to ACL 13-57).

ACIN I-58-13E, March 28, 2014, p 2-3)

288-26 ADDED

5/16A student's status is to be reported at application and at recertification. Student eligibility is not a mandatory mid-period reporting requirement and is not considered Verified Upon Receipt. If the household reports a student status mid-period, counties are not required to take action but are encouraged to document in the case file voluntarily reported changes that do not impact the CalFresh benefit. (All County Information Notice I-89-15, p. 3, December 31, 2015)

289-1 ADDED 8/04

Benefits will be “frozen” for the six months of the semi-annual period, except under specified circumstances. Circumstances under which benefits may be adjusted during the period include:

- Increases based on recipient mid-period reports, including reports of decreased income;
- Decreases or discontinuances based on mandatory recipient mid-period reports, including reports of income over the IRT;
- Decreases or discontinuances based on county-initiated, mid-period actions, as described in this ACL and Attachments; or
- Discontinuances at the individual or household’s request.
- For CalFresh, if a report is considered Verified Upon Receipt (see ACL 13-17 and ACIN I-58-13).

For mandatory reports to another public assistance program that are not acted upon, CalFresh will not act on the change.

(All County Letter 12-25E, December 16, 2013, p. 2, 12-13)

289-2 REVISED 11/05

Under prospective budgeting, a recipient is required to report the following changes to the county within 10 calendar days of the date the change becomes known to the household:

For PACalFresh and NACalFresh households, address changes and accompanying shelter cost changes.

For NACalFresh households, any reduction in the number of hours worked to less than 20 per week or 80 per month for ABAWDs. Persons who are satisfying the ABAWD work requirement through a combination of education/training and employment of less than 20 hours per week are not subject to the mid-quarter requirement when hours of employment are reduced.

The household may report the change to the county verbally, in writing or in person.

(§63-509(b)(1)(A))

289-3 REVISED 11/05

Under prospective budgeting, when the CalFresh household also receives CalWORKs, the household must also report mid-quarter changes in fleeing felon/disqualifying drug felon/parole or probation status, and income in excess of the IRT. (§63-509(b)(1)(B))

The county must delete the individual from the PACalFresh household when that person's fleeing felon/disqualifying drug felon/parole or probation violation was reported at the end of the month after 10-day notice can be provided. (§63-509(c)(1))

If the county discontinues CalWORKs as a result of the CalWORKs AU report of income in

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excess of the IRT, the county must determine if the household's CalFresh benefits would increase or decrease. Households whose CalWORKs benefits are discontinued shall be determined eligible for Transitional CalFresh benefits (TFS). (§63-509(c)(4))

289-4 REVISED 11/05

Under prospective budgeting, recipients may report changes in income and circumstances any time during the quarter either in writing, verbally or in person. The county shall act only on those voluntary reports that result in an increase in benefits except when a non-assistance household voluntarily reports income in excess of IRT. Action to increase benefits shall be effective in the month in which the change in income actually occurs or is reported, whichever is later, and after all verification has been received.

If the change occurred prior to the date of the report, the county must increase benefits based on the date of the report after verification is received. If the change occurs in future months, the increase in benefits is based on the date the change is expected to occur after verification is received.

Verification shall be requested immediately when the recipient reports a decrease in income or a new household member is reported in the household, or for other changes that would require verification when benefits are increased. Action to increase benefits shall not take place until verification is received. The recipient shall be allowed 10 days to provide the requested verification.

(§63-509(d))

289-5 REVISED 11/05

After a recipient voluntarily reports a change in circumstances, the county must issue the recipient a "No Change Notice of Action" when benefits cannot be increased. The "No Change NOA" must be sent within 30 days of the reported change. The notice of action must remind the recipient to re-report the change on the next QR 7. (§63-509(d)(7))

289-6 ADDED 8/04

To determine if the voluntarily reported change results in increased benefits mid-quarter, the county must recalculate benefits for the current and remaining months of the quarter using the new income that the household reasonably expects to receive. If the anticipated income is different in the remaining months and the recipient knows with reasonable certainty what the amount would be for each month, the new income shall be averaged for the current and remaining months of the quarter. (§63-509(e)(1))

289-7 ADDED 8/04

Household changes that occur in the Submit Month and are reported on the QR 7 will be considered voluntary reports. (§63-509(e)(2) Handbook)

289-8 ADDED 11/05

As a result of reported or anticipated changes in the prospective budgeting household, the allotment for the month of application may differ from the allotment in subsequent months. The household's allotment may vary within the quarter to reflect changes reported during the quarter. Averaging techniques are used to determine income in a quarter. The county shall establish the household's certification period in accordance with §63-504.1 (§63-503.151(QR))

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289-9 ADDED 11/05

If a non-assistance CalFresh (NAFS) household voluntarily reports income in excess of 130% of the federal Poverty Level (FPL), the household shall be discontinued mid-quarter. Only voluntarily reported income exceeding 130% of the FPL for the NACalFresh excluding a mid-quarter report of a new household member and his/her income shall render the NACalFresh household ineligible. (§63-509(d)(7)(C))

289-10 ADDED 7/15

If the change-reporting household's benefits decrease or the household becomes ineligible as a result of the change, the County Welfare Department shall issue a timely notice of action within 10 days of the date the change was reported. The decrease in benefits shall be made effective not later than the issuance date for the month following the month in which the timely notice period expires, provided a state hearing and continuation of benefits have not been requested. (§63-504.423)

289-11 ADDED 2/04

The county will use information on the QR 7/SAR 7/SAWS 2 to determine continuing eligibility and future benefit amounts based on all eligibility factors. Based on information provided on the QR 7/SAR 7/SAWS 2, the county will determine continuing eligibility as it relates to property, income deprivation (CaWORKs only), and household composition using prospective budgeting rules. (All-County Letter No. 03-18, April 29, 2003, All County Letter 12-25, May 12, 2012)

289-12 ADDED 8/04

Income and household information from the Data Month and anticipated changes in income and expenses must be considered when determining eligibility and benefit levels for the quarter. Documentation is required in the case folder which explains how income was projected in determining benefit calculations. Case narrative entries must include, but are not limited to, income the recipient states is expected in future months, whether anticipated income will be different than income reported for the Data Month, documentation for not accepting the recipient's estimate if information is questionable, and other information used to determine what income the county will use to calculate benefits (e.g., employer's statements, case history, etc.) (§63-509(a)(1))

289-13 ADDED 12/04

"Issuance month" in a monthly reporting and retrospective budgeting system means the month for which a CalFresh allotment is issued. In prospective budgeting, the budget month and issuance month are the same. In retrospective budgeting, the issuance month is the second month after the budget month. (§63-102(i)(9), as renumbered effective March 1, 2002 and renumbered to §63-102(i)(10) effective July 1, 2004. This section is inoperative when prospective budgeting becomes operative in a county)

Issuance month" in a prospective budgeting system means any month during a quarter for which a CalFresh allotment is issued. (§63-102(i)(10))

289-14 ADDED 8/04

Counties shall ensure that households receive the SAR 7/SAWS 2 at the end of the Data Month and no later than the first day of the Submit Month. Information reported on the SAR 7/SAWS 2 shall be used to determine eligibility and to prospectively budget income to determine the benefit level for the upcoming certification period. (§63-508.31)

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289-15 ADDED 2/04

The county shall recalculate the current quarter's CalWORKs and CalFresh benefits when a recipient reports a decrease or discontinuance of income. In calculating such benefits, the county shall determine the month in which the decrease or loss of income was reported. The county shall add additional income the assistance unit/household reasonably anticipates for the current and remaining months of the quarter. The county shall then determine a new average monthly income for the current quarter by dividing the total income by the amount of months equal to the current and remaining months of the quarter.

The county shall do the above calculation for earned income, disability based unearned income and unearned income. In these calculations the county shall apply all applicable income disregards and/or CalFresh allowances for each income type to the new average gross income amounts to generate average net non-exempt income (NNI) for each month.

The county shall then recalculate benefits for the quarter by subtracting the newly averaged NNI from the applicable Maximum Aid Payment for CalWORKs. To determine the CalFresh allotment, the county shall refer to the coupon allotment issuance chart using the net income for appropriate household size.

(All-County Letter No. 03-18, April 29, 2003, pp.43-44)

289-16 ADDED 11/05

County initiated mid-quarter actions means changes in eligibility status based on case information that the county is required to act on mid-payment period such as sanctions, financial penalties, approval of benefits in another household, the end of an inter-county transfer, or cost of living changes. (§63-102(c)(13))

289-17 REVISED 11/05

In addition to making mid-quarter adjustments to benefits as a result of mandatory and voluntary recipient reports mid-payment period, action shall also be taken on certain changes in eligibility status at the end of the month in which timely and adequate notice can be provided to the household. The changes that are considered county-initiated and can occur any time during the certification period are:

Sanctions or financial penalties;

Failure of the household to comply with a Quality Control Review;

Benefits are applied for and approved for a household member in another household or for the household;

Discontinuances due to the termination of a CalWORKs inter-county transfer;

Status changes in CFAP;

COLAs in CalFresh benefits, CalWORKs or Social Security;

Adjustments due to recipient error on the QR 7 or mid-quarter reports of information or lack of action by the county on the QR 7 or mid-quarter report;

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Three-month ABAWD time limit ends or ABAWD regains eligibility and subsequently stops meeting work requirements;

Discontinuance due to ineligibility determination when recertification falls outside the Submit Month.

(§63-509(h))

289-18 ADDED 2/05

Initially as stated in All County Letter 03-18, county actions on non-assistance CalFresh cases were only required on address changes and accompanying shelter cost changes. A Food and Nutrition Service (FNS) waiver amendment now adds an additional mid-quarter county-initiated action. Counties are now required to discontinue a non-assistance CalFresh household mid-quarter when income above the gross limit is voluntarily reported by the household. (All County Letter 04-56, December 23, 2004)

289-19 ADDED 2/05

Multiple changes during a certification period shall be acted upon in accordance with prospective budgeting rules for mandatory and voluntary recipient reports, and on county-initiated and third party reports. Each change shall be acted upon separately, using the rule that is unique to that type of change. Circumstances shall not be combined to effect a change in benefits.

A household may voluntarily report a change that does not result in an increase to benefits, and later in the quarter report another change that was required to be reported, which would result in a decrease to benefits. A change shall not be made on the voluntary report; however benefits shall be decreased later based on the mid-payment period report. The decrease in benefits shall be based solely on the circumstances resulting from the mandatory report.

(§63-509(l))

289-20 ADDED 11/05

Where two or more changes are reported to the county at the same time, the county must evaluate each change separately and in the order they occurred, keeping in mind the timing of when benefits may be increased based on decreased income and new household members being added to the household unit. This evaluation applies to mandatory as well as voluntary reports of changes. (§63-509(f)(4))

289-21 ADDED 4/09

Any UIB received by a household due to the stimulus legislation is considered income to the household. The amount of the increase is \$25 per week above the current benefit amount. Since the exact circumstances of when payments will occur are unknown, counties cannot yet anticipate these UIB payments for prospective budgeting households. If, however, a household receives back payments in a single UIB payment, it is to be treated as lump-sum income [MPP section 63-502.2(j)]. (ACL 09-12, February 27, 2009)

289-22 REVISED 8/04

Under MR/RB, the income and specific deductions of a member leaving the CalFresh household shall be disregarded when determining the household's eligibility and benefit level for the month following the month in which the change was reported. The remaining household

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members' benefit level shall continue to be retrospectively budgeted. (§63-504.356 prior to the implementation of prospective budgeting in the county)

28923 REVISED 8/04

Under MR/RB, if a CalFresh household reports a change outside of the CA 7 (now CW 7 or SAWS 7), the county shall evaluate the effect of the change on the household's eligibility and benefit level. (§63-504.357 prior to the implementation of prospective budgeting in the county)

Under MR/RB, except for the addition of a household member, if the change affects the benefit level, the county shall note the information in the case file, reflect the change in the corresponding issuance month, and notify the household. (§63-504.357(b) prior to the implementation of prospective budgeting in the county)