

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



December 26, 2006

ALL COUNTY INFORMATION NOTICE NO. I-96-06

TO: ALL COUNTY WELFARE DIRECTORS  
ALL FOOD STAMP COORDINATORS  
ALL CalWORKs PROGRAM SPECIALISTS

SUBJECT: QUESTIONS AND ANSWERS (Q&A) – FOOD STAMP  
SIMPLIFICATION OPTIONS

REFERENCE: FOOD STAMP REAUTHORIZATION ACT OF 2002, (PUBLIC LAW 107-71 OF MAY 13, 2002), ALL COUNTY LETTER 06-31, ALL COUNTY INFORMATION NOTICE I-40-06, ALL COUNTY INFORMATION NOTICE I-69-06

**REASON FOR THIS TRANSMITTAL**

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

The purpose of this letter is to provide counties with answers to questions relating to the Food Stamp Simplification Options implemented on November 1, 2006 (see Attachment A). Most questions center on the Standard Utility Allowance (SUA), Limited Utility Allowance (LUA), the Telephone Allowance (TUA) and obligated child support payments. Revisions to the QR 285 B (Food Stamp Budget Worksheet), the DFA 285B (Food Stamp Budget Worksheet/Change Reporting Household) and the DFA 285 D (Food Stamp Budget Worksheet – Special Medical/Shelter Deductions), which are due to the deduction of obligated child support payments, are included in Attachment B. Attachment C includes an explanation of those budget worksheet changes.

The attached questions and answers were reviewed by Food Stamp Review and Advisory Team (FRAT) of the County Welfare Directors Association (CWDA). Answers were developed at the state level and finalized with assistance from FRAT members.

If you have any questions regarding the attached Q&A, please contact Joyce Brewer of the Policy Implementation Unit at (916)654-3366.

Sincerely,

**Original Document Signed By:**

RIGHTON YEE, Chief  
Food Stamp Branch

Attachments

## **ATTACHMENT A**

### **QUESTIONS AND ANSWERS ON SIMPLIFICATION OPTIONS**

## QUESTIONS AND ANSWERS

### Food Stamp Simplification Options Effective November 1, 2006 Food Stamp Reauthorization Act of 2002

1. Will there be a Hold Harmless period for implementation of the Simplification Options?

Yes. A Hold Harmless period of 120-days began November 1, 2006, and ends on February 28, 2007.

2. If a person has earned and unearned income and pays child support directly, which income type should the child support paid be excluded from?

The budget worksheets will be changed to deduct the child support exclusion first from unearned income and the remainder from earned income. Copies of the revised budget worksheets (QR DFA 285B, DFA 285B and DFA 285D) are included in Attachment B. For a camera ready copy of the worksheets, contact the Forms Management Unit at (916) 657-1907. If your office has internet access, you may obtain these forms from the CDSS web page at:

[http://www.dss.cahwnet.gov/cdssweb/FormsandPu\\_271htm](http://www.dss.cahwnet.gov/cdssweb/FormsandPu_271htm).

A description of forms changes is also included in Attachment C.

3. If an obligator has zero income but another household member has income and he/she is paying the child support for the obligator, is the child support excluded from the Food Stamp (FS) budget?

Yes. MPP Section 63-502.2 indicates that obligated child support payments that a household member pays to or for an individual living outside of the household can be allowed as an income exclusion for the household.

4. If there is a CalWORKs or Tribal TANF case with zero income and child support is paid out of the CalWORKs grant, is child support used as exclusion off the CalWORKs grant amount?

Yes. The exclusion would be allowed from unearned income, which is the CalWORKs grant.

5. If the child support obligation is deducted from wages on a bi-weekly or weekly basis, can the multipliers (2.167 or 4.33) be applied to child support payments?

No. The amount of a child support obligated payment is generally ordered to be paid on a monthly basis. It is the amount actually paid (not to exceed the court ordered amount) that is used to compute benefits.

6. If a flat utility payment is being made, which is incurred by the household separate and apart from housing costs, would the worker need a further breakdown on what utilities are being paid?

Yes. The county must investigate what utilities are covered by the flat utility charge and further determine that the flat rate is incurred/billed separate and apart from the rent or mortgage payment (see MPP 63-502.363). (Being billed separate and apart also includes situations in which residents of rental housing are billed on a monthly basis by their landlords for actual usage as determined through individual metering.) If the flat rate is billed for heating or cooling costs, then the county allows the SUA.

If the county determines the flat amount does not cover heating or cooling costs, the county must determine if a LUA is allowed for costs incurred for a combination of any two of the following: telephone, water, sewer and garbage or trash collection. If the flat amount charged is for telephone only, the TUA is allowed.

EXAMPLE 1: The household is charged a flat amount of \$250 for housing and a separate flat amount of \$50 (paid separate and apart from the housing cost) which is intended for utilities. The household writes a check to the landlord for \$300. After a further review by the county, it is determined the \$50 flat utility fee includes heating and cooling costs. In this scenario, the SUA deduction is allowed. The amount allowed for the housing cost is \$250.

EXAMPLE 2: The household is charged a flat amount of \$300 which includes utilities. After further review, it is determined that heating and cooling costs are included in the \$300 housing cost. Because utilities are not incurred separate and apart from housing costs (see MPP 63-502.363), \$300 is allowed as the housing cost and the SUA deduction is not allowed.

7. If there are no heating or cooling costs, does the CWD need to determine whether more than one utility is being paid in order to allow the LUA?

Yes. Per MPP Section 63-502.363(d), a household that is not eligible for the SUA, but incurs expenses for at least two separate allowable types of utilities (other than heating or cooling) is eligible for a LUA. If the household incurs costs for any two expenses of which telephone, water, sewage and garbage or trash collection are a part, the household is eligible for the LUA.

8. If the telephone or cell phone is not in the client's name, are they still eligible to the TUA?

Yes, provided the household incurs a cost. (Also, please refer to All County Information Notice I-124-00 for more information.) Examples of incurring a cost include, but are not limited to: a household pays \$10 a month to use the neighbor's home phone when needed, pre-paid phone cards, e-mail through the internet, or phone line for a fax machine, etc.

9. Do the option provisions apply to Transitional Food Stamp (TFS) households? When processing TFS cases, do counties use the budget as existed when the

CalWORKs case was discontinued or do the counties need to apply the new simplification option rules? For example: In the TFS determination month, the household elected actual utilities. Would the TFS budget be recalculated to allow the SUA amount?

No. The counties must use the budget as existed when the CalWORKs case was discontinued. As of November 1, 2006, all simplification options were implemented. The first TFS cases to be impacted by simplification rules began on 12/01/06 when CalWORKs cases discontinued on 11/30/06. TFS cases approved prior to December 1, 2006, are not impacted by simplification rules.

10. Do the new requirements for restricted accounts apply to both applicants and recipients?

No. Restricted accounts are not exempt as a resource for applicants.

11. If a household has a restricted account and is discontinued, but later reappplies, is the restricted account exempted as a resource at reapplication?

No. Funds held in a prior account are not exempt as a resource at application. However, if there is no break-in-aid for a TFS case reapplying for regular food stamp benefits, the funds in the restricted account would be exempt at application for the regular FSP. Continual receipt of TFS and conversion to the regular program without a break in the receipt of benefits is considered an ongoing food stamp household and eligibility for the restricted account is ongoing also.

12. Will a new form be developed to capture a restricted account agreement between the applicant/recipient and the CWD?

Yes. We are revising the CW 86, "Agreement – Restricted Account" and Coversheet, to include the information and requirements for restricted accounts in the Food Stamp Program.

13. If a household accesses their restricted account for other than specified uses (education, purchase of a home, etc.), how does the county treat the withdrawal?

The withdrawal is considered a resource upon withdrawal. Total resources, including the restricted account withdrawal, are reevaluated for resource eligibility purposes for the next quarter or for the month following the month in which the withdrawal occurred in a Change Reporting household.

14. Are counties required to contact food stamp households who previously had no utility deduction (excluding those utilities that are included in the rent) to investigate eligibility to the LUA or TUA? Or can these be processed on a flow basis (as households contact the county or at recertification)? There is no "look back" period for applying the LUA or TUA. Changes will be processed as

counties become aware of households being billed for LUA utilities or for phone charges. Changes should be processed when the QR 7 is reviewed/processed, mid-quarter changes are reviewed and processed or at any other time the case is accessed.

15. Can we disregard \$50 of child support received when the child is out of the home and all of the child support money received is arrearages?

Yes. State regulations do not specify that child support arrearages would disallow the \$50 child support disregard.

**ATTACHMENT B**  
**BUDGET WORKSHEETS**

# FOOD STAMP BUDGET WORKSHEET

CASE NAME	COMPANION CASE REFERENCE	CASE NUMBER	CLASSIFICATION <input type="checkbox"/> NA <input type="checkbox"/> PA <input type="checkbox"/> MIXED <input type="checkbox"/> TFS
CERTIFICATION PERIOD FROM THROUGH	CHANGE REPORT <input type="checkbox"/>	QR 7 <input type="checkbox"/>	MID-QUARTER REPORT <input type="checkbox"/>

## PART 1 - INCOME FOR CHANGE REPORTING (CR) AND QUARTERLY REPORTING (QR) HOUSEHOLDS

A. NONEXEMPT GROSS UNEARNED INCOME	SOCIAL SECURITY, UIB, DIB, PENSIONS	CHILD/SPOUSAL SUPPORT LESS \$50	SCHOLARSHIPS, GRANTS, LOANS	OTHER
1. Month 1/Year _____ / _____	\$ _____	\$ _____	\$ _____	\$ _____
2. Month 2/Year _____ / _____	\$ _____	\$ _____	\$ _____	\$ _____
3. Month 3/Year _____ / _____	\$ _____	\$ _____	\$ _____	\$ _____
4. Unearned Income (A1 + A2 + A3)				Total \$ _____ (A4)
5. QR Averaged Gross Unearned Income (A4 ÷ number of months)				Total \$ _____ (A5)
6. Cash Aid				Total \$ _____ (A6)
7. Less Child Support Paid (enter any remainder in B6)				Total \$ _____ (A7)
8. Total Gross Unearned Income (A5 + A6 - A7)				Total \$ _____ (A8)

B. NONEXEMPT GROSS EARNED INCOME	GROSS SALARY/WAGES	SELF EMPLOYMENT	TRAINING ALLOWANCES	
1. Month 1/Year _____ / _____	\$ _____	\$ _____	\$ _____	
2. Month 2/Year _____ / _____	\$ _____	\$ _____	\$ _____	
3. Month 3/Year _____ / _____	\$ _____	\$ _____	\$ _____	
4. Total Gross Earned Income (B1 + B2+ B3)				Total \$ _____ (B4)
5. QR Averaged Gross Earned Income (B4 ÷ number of months)				Total \$ _____ (B5)
6. Less Remainder of Child Support Paid (if not fully used in Section A)				Total \$ _____ (B6)
7. Total Gross Earned Income (B5 - B6)				Total \$ _____ (B7)

## PART 2 - GROSS INCOME TEST FOR CR AND QR REPORTING HOUSEHOLDS

C. GROSS INCOME TEST		
1. Maximum Gross Income allowed for Household Size of _____ (from table)	\$ _____	
2. Total Gross Income (A8 + B7) =	\$ _____	<input type="checkbox"/> YES <input type="checkbox"/> NO
3. Gross Income Eligible? (Is C2 less than or equal to C1?)		Total \$ _____ (C3)

## PART 3 - NET INCOME

D. NONEXEMPT GROSS INCOME	DOCUMENTATION
1. Gross Earned Income (B7)	
2. Adjusted Gross Earned Income (80% of D1)	
3. Total Gross Unearned Income (A8)	
4. Nonexempt Gross Income (D2 + D3)	
<b>E. EXCESS MEDICAL EXPENSES (Special Medical)</b>	<input type="checkbox"/> Weekly \$ _____ x 4.33 = \$ _____
1. Expected Recurring Expenses (Occurring during the entire certification period). Include recurring averaged expenses.	<input type="checkbox"/> Biweekly \$ _____ x 2.167 = \$ _____
2. Limited Period Expenses (Occurring during only a portion of the certification period). Include limited averaged expenses.	
3. Total Allowable Expenses (E1 + E2)	
4. Less Medical Expense Allowance (\$35)	
5. Excess Medical Expenses (E3 - E4)	
<b>F. STANDARD, DEPENDENT CARE, MEDICAL, HOMELESS SHELTER DEDUCTIONS</b>	<b>DIRECT CHILD/SPOUSAL SUPPORT:</b>
1. Standard Deduction	Received \$ _____
2. Dependent Care Child(ren) Under Two \$ _____ Other Dependents & Child(ren) 2 and Over \$ _____ Total Dependent Care Deductions \$ _____	Minus -\$ _____ 50
3. Homeless Shelter Deduction	Countable \$ _____
4. Excess Medical Expenses (E5)	
5. Total Deductions (F1 + F2 + F3 + F4)	
<b>G. ADJUSTED NET INCOME</b>	<b>CHILD SUPPORT PAID OUT (not to exceed the monthly child support obligation)</b>
1. Nonexempt Gross Income (D4)	Month 1 \$ _____
2. Total Deductions (F5)	Month 2 \$ _____
3. Adjusted Net Income (D4 - F5) or (G1 - G2)	Month 3 \$ _____
	Total \$ _____
	Total ÷ by number of months \$ _____
	Amount used in A7: \$ _____
	Remainder to be used in B6: \$ _____
<b>H. SHELTER DEDUCTION</b>	<b>EXPENSES \$ _____</b>
1. Total Housing Costs	<input type="checkbox"/> Dependent Care
2. Total Utility Allowance	<input type="checkbox"/> Medical Expense
3. Total Shelter costs	
4. Allowable Shelter costs (50% of G3)	
5. Excess Shelter costs (H3 - H4)	
6. Maximum Allowance For Shelter	
7. Allowable Shelter Deduction (Lesser of H5 or H6)	
<b>I. NET MONTHLY INCOME (G3 - H7)</b>	<input type="checkbox"/> Utilities
	<input type="checkbox"/> SUA
<b>J. NET INCOME TEST</b>	<input type="checkbox"/> LUA
1. Household Size	<input type="checkbox"/> TUA
2. Maximum Net Income Allowable (from table)	<input type="checkbox"/> Housing
3. Net Income eligible	<input type="checkbox"/> PRORATED

PART 4 - BENEFITS	<input type="checkbox"/> YES <input type="checkbox"/> NO	ALLOTMENT	SUPPLEMENT
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	E.W. Initials/Date
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<b>K. RESOURCE ELIGIBILITY</b> (Nonexempt Resources Only)	<b>PAYMENT QUARTER</b>	<b>PAYMENT QUARTER</b>
1. Quarter/Month's Resources	\$ _____	\$ _____
2. Additional Resources (specify)	_____	_____
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
3. Subtotal (K1 + K2a + K2b + K2c)	\$ _____	\$ _____
4. Resources Sold, Traded or Given Away (specify)	_____	_____
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
5. Subtotal (K4a + K4b + K4c)	\$ _____	\$ _____
6. Current Resources (K3 - K5)	\$ _____	\$ _____
7. Resource Eligible?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>PART 5—INCOME COMPUTATIONS</b>	<b>PAYMENT QUARTER</b>	<b>PAYMENT QUARTER</b>
<b>L. SELF-EMPLOYMENT</b> (Nonexempt Resources Only)		
1. Gross Income from Self-Employment	\$ _____	\$ _____
2. Expenses: <input type="checkbox"/> Standard 40% Deduction		
<input type="checkbox"/> Actual Expenses (Verification Required)	\$ _____	\$ _____
3. Total Nonexempt Income from Self-Employment	\$ _____	\$ _____
If averaging self-employment income go to L7. If adjusting		
a previous average, continue to L4.		
4. Adjustment to Gross Income	\$ _____	\$ _____
5. Adjustment to Expenses	\$ _____	\$ _____
6. Adjusted Self-Employment Income (L3 + L4 + L5)	\$ _____	\$ _____
7. Monthly Self-Employment Income (L3 or L6 ÷ number of		
months income covers)	\$ _____	\$ _____

<b>M. EDUCATIONAL GRANTS, SCHOLARSHIPS AND LOANS</b>	<b>PAYMENT QUARTER</b>	<b>PAYMENT QUARTER</b>
1. Income from Grants, Scholarships or Loans	\$ _____	\$ _____
2. Tuition and Mandatory Fees	\$ _____	\$ _____
3. Total Nonexempt Educational Income (M1 – M2)	\$ _____	\$ _____
4. Monthly Income from Grants, Scholarships or Loans	\$ _____	\$ _____
(M3 ÷ number of months income covers)		

<b>PART 6—REPORTED CHANGES</b> (Other than the QR 7 or DFA 377.5)					
Type of Change					
Date Change Occurred					
Date Change Reported					
EW Initials					

**FOOD STAMP BUDGET WORKSHEET/CHANGE REPORTING HOUSEHOLD**

CASE NAME  CERTIFICATION PERIOD FROM _____ THROUGH _____	CASE NUMBER  ISSUANCE MONTH _____	COMPANION CASE REFERENCE  ISSUANCE MONTH _____	CLASSIFICATION <input type="checkbox"/> NA <input type="checkbox"/> PA <input type="checkbox"/> MIXED <input type="checkbox"/> TFS  <b>DOCUMENTATION</b>  Child/Spousal Support Received \$ _____ Minus- \$ _____ 50 Countable \$ _____
<b>PART 1 - GROSS INCOME ELIGIBILITY</b>			
<b>A. NONEXEMPT GROSS UNEARNED INCOME</b>			
1. Cash Aid	\$ _____	\$ _____	
2. Social Security, UIB, DIB, Pensions	\$ _____	\$ _____	
3. Child/Spousal Support (less \$50)	\$ _____	\$ _____	
4. Scholarships, Grants, Loans	\$ _____	\$ _____	
5. Other	\$ _____	\$ _____	
6. Gross Unearned Income (A1 + A2 + A3 + A4 + A5)	\$ _____	\$ _____	
7. Less Child Support Paid (enter any remainder in B5)	\$ _____	\$ _____	
8. Total Gross Unearned Income (A6 - A7)	\$ _____	\$ _____	
<b>B. NONEXEMPT GROSS EARNED INCOME</b>			
1. Gross Salary, Wages	\$ _____	\$ _____	
2. Self-Employment	\$ _____	\$ _____	
3. Training Allowance	\$ _____	\$ _____	
4. Gross Earned Income (B1 + B2 + B3)	\$ _____	\$ _____	
5. Less Remainder of Child Support Paid (if not fully used in Section A)	\$ _____	\$ _____	
6. Total Gross Earned Income (B4 - B5)	\$ _____	\$ _____	
<b>C. GROSS INCOME TEST</b>			
1. Household Size	\$ _____	\$ _____	
2. Maximum Gross Income Allowed (from Table)	\$ _____	\$ _____	
3. Total Gross Monthly Income (A8 + B6)	\$ _____	\$ _____	
4. Gross Income Eligible? (Is C3 less than or equal to C2?)	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>PART 2 - NET INCOME ELIGIBILITY</b>			
<b>D. NONEXEMPT GROSS UNEARNED INCOME (A8)</b>			
\$ _____	\$ _____	\$ _____	
<b>E. NONEXEMPT GROSS EARNED INCOME (B6)</b>			
\$ _____	\$ _____	\$ _____	
<b>F. TOTAL GROSS INCOME (D + E)</b>			
\$ _____	\$ _____	\$ _____	
<b>G. STANDARD/DEPENDENT CARE/HOMELESS SHELTER/DEDUCTIONS</b>			
1. Standard Deduction:	\$ _____	\$ _____	
2. Dependent Care (Lesser of Actual or Maximum) Child(ren) under two Child(ren) two and over/all other dependents Total Dependent Deductions	\$ _____	\$ _____	
3. Homeless Shelter Deduction	\$ _____	\$ _____	
4. Total Deductions (G1 + G2 + G3)	\$ _____	\$ _____	
5. Preliminary Adjusted Income (F - G4)	\$ _____	\$ _____	
<b>H. SHELTER DEDUCTION</b>			
1. Total Housing Costs	\$ _____	\$ _____	
2. Total Utility Allowance	\$ _____	\$ _____	
3. Total Shelter Costs (H1 + H2)	\$ _____	\$ _____	
4. Allowable Shelter Costs (50% of G5)	\$ _____	\$ _____	
5. Excess Shelter Costs (H3 - H4)	\$ _____	\$ _____	
6. Maximum Allowance for Shelter	\$ _____	\$ _____	
7. Allowable Shelter Deduction (Lesser of H5 or H6)	\$ _____	\$ _____	
<b>I. NET MONTHLY INCOME (G5 - H7)</b>			
\$ _____	\$ _____	\$ _____	
<b>J. NET INCOME TEST</b>			
1. Household Size	\$ _____	\$ _____	
2. Maximum Net Income Allowable from	\$ _____	\$ _____	
3. Net Income eligible	\$ _____	\$ _____	
<b>PART 3 - BENEFITS</b>			
	ALLOTMENT	SUPPLEMENT	ALLOTMENT SUPPLEMENT
E.W. Initials/Date			

<b>K. RESOURCE ELIGIBILITY</b> (Nonexempt Resources Only)	ISSUANCE MONTH	ISSUANCE MONTH
1. Previous Month's Resources	\$ _____	\$ _____
2. Additional Resources (specify)	_____	_____
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
3. Subtotal (K1 + K2a + K2b + K2c)	\$ _____	\$ _____
4. Resources Sold, Traded or Given Away (specify)		
a. _____	\$ _____	\$ _____
b. _____	_____	_____
c. _____	_____	_____
5. Subtotal (K4a + K4b + K4c)	\$ _____	\$ _____
6. Current Resources (K3 - K5)	\$ _____	\$ _____
7. Resource Eligible?	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO

<b>PART 4—INCOME COMPUTATIONS</b>	ISSUANCE MONTH	ISSUANCE MONTH
<b>L. SELF-EMPLOYMENT</b> (Nonexempt Resources Only)		
1. Gross Income from Self-Employment	\$ _____	\$ _____
2. Expenses: <input type="checkbox"/> Standard 40% Deduction	_____	_____
<input type="checkbox"/> Actual Expenses (Verification Required)	_____	_____
3. Total Nonexempt Income from Self-Employment	\$ _____	\$ _____
If averaging self-employment income go to L7. If adjusting a previous average, continue to L4.		
4. Adjustment to Gross Income	\$ _____	\$ _____
5. Adjustment to Expenses	_____	_____
6. Adjusted Self-Employment Income (L3 + L4 + L5)	\$ _____	\$ _____
7. Monthly Self-Employment Income (L3 or L6 ÷ number of months income covers)	\$ _____	\$ _____

<b>M. EDUCATIONAL GRANTS, SCHOLARSHIPS AND LOANS</b>	ISSUANCE MONTH	ISSUANCE MONTH
1. Income from Grants, Scholarships or Loans		
2. Tuition and Mandatory Fees	\$ _____	\$ _____
3. Total Nonexempt Educational Income (M1 – M2)	_____	_____
4. Monthly Income from Grants, Scholarships or Loans (M3 ÷ number of months income covers)	\$ _____	\$ _____

<b>PART 5—REPORTED CHANGES</b> (Other than the CA 7 or DFA 377.5)					
Type of Change					
Date Change Occurred					
Date Change Reported					
EW Initials					

### FOOD STAMP BUDGET WORKSHEET – Special Medical/Shelter Deductions

CASE NAME	CASE NUMBER	COMPANION CASE REFERENCE	CLASSIFICATION <input type="checkbox"/> NA <input type="checkbox"/> PA <input type="checkbox"/> MIXED <input type="checkbox"/> TFS	
CERTIFICATION PERIOD FROM _____ THROUGH _____	<input type="checkbox"/> PROSPECTIVE	<input type="checkbox"/> PROSPECTIVE	<b>DOCUMENTATION</b>	
<b>PART 1 – NET MONTHLY INCOME</b>	ISSUANCE MONTH _____	ISSUANCE MONTH _____		
<b>A. NONEXEMPT GROSS UNEARNED INCOME</b>			<b>Child/Spousal Support</b>  Received \$ _____ Minus \$ _____ <u>50</u> Countable \$ _____	
1. Cash Aid	\$ _____	\$ _____		
2. Social Security, UIB, DIB, Pensions	\$ _____	\$ _____		
3. Child/Spousal Support (less \$50)	\$ _____	\$ _____		
4. Scholarships, Grants, Loans	\$ _____	\$ _____		
5. Other	\$ _____	\$ _____		
6. Gross Unearned Income (A1 + A2 + A3 + A4 + A5)	\$ _____	\$ _____		
7. Less Child Support Paid (enter remainder in B5)	\$ _____	\$ _____		
8. Total Gross Unearned Income (A6 - A7)	\$ _____	\$ _____		
<b>B. NONEXEMPT GROSS EARNED INCOME</b>	\$ _____	\$ _____		
1. Gross Salary, Wages	\$ _____	\$ _____		
2. Self-Employment	\$ _____	\$ _____		
3. Training Allowance	\$ _____	\$ _____		
4. Gross Earned Income (B1 + B2 + B3)	\$ _____	\$ _____		
5. Less Remainder of Child Support Paid (if not fully used in Section A)	\$ _____	\$ _____		
6. Total Gross Earned Income (B4 - B5)	\$ _____	\$ _____		
7. Adjusted Gross Earned Income (80% of B6)	\$ _____	\$ _____		
<b>C. TOTAL NONEXEMPT GROSS INCOME (A8 + B7)</b>	\$ _____	\$ _____		
<b>D. EXCESS MEDICAL EXPENSES</b>				
1. Expected Recurring Expenses (occurring during the entire certification period). Include recurring averaged expenses.	\$ _____	\$ _____		
2. Limited Period Expenses (occurring during only a portion of the certification period). Include limited averaged expenses	\$ _____	\$ _____		
3. Total Allowable Expenses (D1 + D2)	\$ _____	\$ _____		
4. Less Medical Expense Allowance (\$35)	\$ _____	\$ _____		
5. Excess Medical Expenses (D3 - D4)	\$ _____	\$ _____		
<b>E. STANDARD/DEPENDENT CARE/MEDICAL/HOMELESS SHELTER DEDUCTIONS</b>				
1. Standard Deduction:	\$ _____	\$ _____		
2. Dependent Care (Lesser of Actual or Maximum) Child(ren) under two Child(ren) two and over/all other dependents Total Dependent Deductions	\$ _____ \$ _____ \$ _____	\$ _____ \$ _____ \$ _____		
3. Excess Medical Expenses (From D5)	\$ _____	\$ _____		
4. Homeless Shelter Deduction	\$ _____	\$ _____		
5. Total Deductions (E1 + E2 + E3 + E4)	\$ _____	\$ _____		
6. Total Adjusted Income (C - E5)	\$ _____	\$ _____		
<b>F. SHELTER DEDUCTION</b>				
1. Total Housing Costs	\$ _____	\$ _____		
2. Total Utility Allowance	\$ _____	\$ _____		
3. Total Shelter costs	\$ _____	\$ _____		
4. Allowable Shelter Costs (50% of E6)	\$ _____	\$ _____		
5. Excess Shelter Costs F3-F4	\$ _____	\$ _____		
<b>G. NET MONTHLY INCOME (E6-F5)</b>	\$ <input style="width: 100px;" type="text"/>	\$ <input style="width: 100px;" type="text"/>		
<b>PART 2 – NET INCOME ELIGIBILITY</b>			First-Month Benefits Prorated? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>H. NET INCOME TEST</b>				
1. Household Size _____				
2. Maximum Net Income Allowed (From Table) \$ _____				
3. Net Income Eligible? (Is G less than or equal to H2?)	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>PART 3 – BENEFITS</b>	ALLOTMENT	SUPPLEMENT	ALLOTMENT	SUPPLEMENT
E.W. Initials/Date				

<b>I. RESOURCE ELIGIBILITY</b> (Nonexempt Resources Only)	1. Previous Month's Resources	\$ _____	\$ _____
	2. Additional Resources (specify)	_____	_____
	a. _____	_____	_____
	b. _____	_____	_____
	c. _____	_____	_____
	3. Subtotal (I1 + I2a + I2b + I2c)	\$ _____	\$ _____
	4. Resources Sold, Traded or Given Away (specify)	_____	_____
a. _____	_____	_____	
b. _____	_____	_____	
c. _____	_____	_____	
5. Subtotal (I4a + I4b + I4c)	\$ _____	\$ _____	
6. Current Resources (I3 - I5)	\$ _____	\$ _____	
7. Resource Eligible?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	

**PART 4—INCOME COMPUTATIONS**

<b>J. SELF-EMPLOYMENT</b> (Nonexempt Resources Only)	1. Gross Income from Self-Employment	\$ _____	\$ _____
	2. Expenses: <input type="checkbox"/> Standard 40% Deduction	_____	_____
	<input type="checkbox"/> Actual Expenses (Verification Required)	_____	_____
	3. Total Nonexempt Income from Self-Employment If averaging self-employment income go to J7. If adjusting a previous average, continue to J4.	\$ _____	\$ _____
	4. Adjustment to Gross Income	\$ _____	\$ _____
	5. Adjustment to Expenses	_____	_____
	6. Adjusted Self-Employment Income (J3 + J4 + J5)	\$ _____	\$ _____
7. Monthly Self-Employment Income (J3 or J6 ÷ number of months income covers)	\$ _____	\$ _____	

<b>K. EDUCATIONAL GRANTS, SCHOLARSHIPS AND LOANS</b>	1. Income from Grants, Scholarships or Loans	\$ _____	\$ _____
	2. Tuition and Mandatory Fees	_____	_____
	3. Total Nonexempt Educational Income (K1 - K2)	\$ _____	\$ _____
	4. Monthly Income from Grants, Scholarships or Loans (K3 ÷ number of months income covers)	\$ _____	\$ _____

**PART 5—REPORTED CHANGES** (Other than the CA 7 or DFA 377.5)

Type of Change					
Date Change Occurred					
Date Change Reported					
EW Initials					

## **ATTACHMENT C**

### **EXPLANATION OF BUDGET WORKSHEET REVISIONS**

## **FOOD STAMP BUDGET WORKSHEET CHANGES SIMPLIFICATION OPTIONS EFFECTIVE 11/1/06**

### **QR 285B – FOOD STAMP BUDGET WORKSHEET**

#### Part 1, Section A

- The title is changed from “Nonexempt Gross Earned Income” to “Nonexempt Gross Unearned Income.”
- In the first title line, the title for “Child/Spousal Support” is changed to “Child/Spousal Support Less \$50.”
- The sequence of line items mirrors those in Part 1, Section B of the prior QR 285B version dated 7/06.
- Line 7 is changed to “Less Child Support Paid (Enter any remainder in line B6).”
- Line 8 becomes old line 7 and reads: “Total Gross Unearned Income (A5 + A6 – A7).”

#### Part 1, Section B

- The title is changed from “Nonexempt Gross Unearned Income” to “Nonexempt Gross Earned Income.”
- The sequence of line items mirrors those in Part 1, Section A of the prior QR 285B version dated 7/06.
- A new line 6 is added and reads: “Less remainder of Child Support Paid (if not fully used in Section A).”
- A new line 7 reads: “Total Gross Earned Income (B5 – B6).”

#### Part 2, Section C

- Line 2 is changed from “Total Gross Income (A5 + B7)” to “Total Gross Income (A8 + B7).”

#### Part 3, Section D

- Line 1 is revised from “Gross Earned Income (A5)” to “Gross Earned Income B7).”
- Line 3 is changed from “Total Unearned Income (B7)” to “Total Gross Unearned Income (A8).”

#### Documentation Section

- A new “Direct Child/Spousal Support” section is added which shows the first \$50 of child support deducted from total child support received.
- An additional new section is added to show the computation for obligated child support paid. The title reads: “Child Support Paid Out (not to exceed the monthly child support obligation).”
- The total actual anticipated monthly child support paid is entered per month and the result is divided by the months in the QR Payment Quarter.

- The resultant amount is used as a deduction on line A7. Any unused remainder of child support not used in A7 is deducted on line B6.

The remainder of the form is unchanged.

## **DFA 285B – FOOD STAMP BUDGET WORKSHEET/CHANGE REPORTING HOUSEHOLD**

### Part 1, Section A

- The title is changed from “Nonexempt Gross Earned Income” to “Nonexempt Gross Unearned Income.”
- The sequence of line items from Section B of the prior DFA 285B (7/06) are moved into Section A.
- Old line B3, which is now A3, is changed from “Child/Spousal” to “Child/Spousal Support (less \$50).”
- Old line B6, which is now A6, is changed from “Total Gross Unearned Income (B1 + B2 + B3 + B4 + B5)” to “Total Gross Unearned Income (A1 + A2 + A3 + A4 + A5).”
- A new line 7 is added to read: “Less Child Support Paid (enter any remainder in B5).”
- A new line 8 is added to read: “Total Gross Unearned Income (A6 - A7).”

### Part 1, Section B

- The title is changed from “Nonexempt Gross Unearned Income” to “Nonexempt Gross Earned Income.”
- The sequence of line items from Section A of the prior DFA 285B (7/06) are moved into Section B.
- Line 4, which is now B4, is changed from “Total Gross Earned Income (A1 + A2 + A3)” to “Gross Earned Income (B1 + B2 + B3).”
- A new line 5 is added to read: “Less Remainder of Child Support Paid (if not fully used in Section A).”
- A new line 6 is added to read: “Total Gross Unearned Income (B4 – B5).”

### Part 1, Section C – Gross Income Test

- Line 3 is changed from “Total Gross Monthly Income (A4 + B6)” to “Total Gross Monthly Income (A8 + B6).”

### Part 2, Section D

- Old Section D is deleted. Old Section E becomes new section D and reads: “Nonexempt Gross Unearned Income (A8)” and consists of only one line.

### Part 2, Section E

- Old Section F becomes Section E and is revised to include only one line item which reads “Gross Earned Income (B6).”

## Part 2, Section F

- New Section F reads: “Total Gross Income (D + E).”

## Part 2, Section G

- Line 5 is revised from “Preliminary Adjusted Income (D2 - G4 or F7 – G4)” to “Preliminary Adjusted Income (F – G4).”

## Part 2, Section H

- Line 3 is changed from “Total Shelter Costs” to Total Shelter Costs (H1 + H2).”

## Part 2, Sections I and J

- These sections are unchanged.

## **DFA 285 D – FOOD STAMP BUDGET WORKSHEET/SPECIAL MEDICAL/SHELTER DEDUCTIONS**

### Part 1, Section A

- The title is changed from “Nonexempt Gross Earned Income” to “Nonexempt Gross Unearned Income.”
- The sequence of line items mirror those in Part I, Section B of the prior 7/06 version of the form.
- A new line 7 reads: “Less Child Support Paid (enter remainder in B5).”
- A new line 8 is added: “Total Gross Unearned Income (A6 – A7).”

### Part 1, Section B

- The title is changed from “Nonexempt Gross Unearned Income” to “Nonexempt Gross Earned Income.”
- The sequence of line items mirrors those in Part 1, Section A of the prior 7/06 version of the form.
- A new line 5 is added: “Less remainder of Child Support Paid (if not fully used in Section A).”
- A new line 6 is added: “Total Gross Earned Income (B4 – B5).”
- Line 5 becomes line 7 and reads: “Adjusted Gross Earned Income (80% of B6).”

### Part 1, Section C – Total Nonexempt Gross Income

- Line C is changed from “Total Nonexempt Gross Income (A5 + B6)” to “Total Nonexempt Gross Income (A8 + B7).”

Part 1, Sections D, E, F and G, Part 2 and Part 3 remain unchanged.