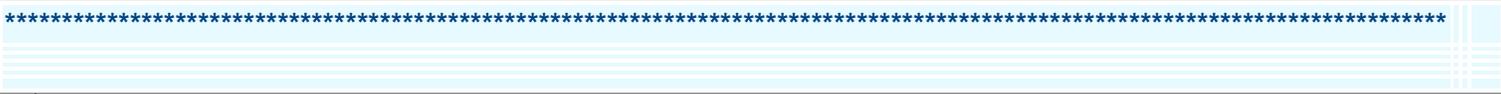


Department of Social and Health Services
Olympia, Washington
EAZ Manual

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Category Income Special Types
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Summary

Updated Worker Responsibilities WAC 388-450-0035 to clarify averaging student income.
See below for edited text:



Worker Responsibilities - [WAC 388-450-0035](#)

1. Averaging educational assistance over the period of use:

Average educational assistance income ~~meant to cover more than one month~~ over the months the school expects the client to use the money. [See Budgeting for more information.](#)

[EXAMPLE: Timothy gets \\$1000 in countable educational assistance for the school year. The school year is nine \(9\) months. Divide the \\$1000 total by 9 months to budget a monthly amount of countable income.](#)

2. **Changing from one school term to another:**

- a. When one school term ends and a new term begins in the same month, count the first day of the next full month as the start of the term.
- b. **Do not** use costs from one school term to offset the educational assistance a client earns or gets in another term.

3. **Educational expenses disregarded** as income may reduce a client's allowable deductions for Basic Food:

If you disregard a client's educational benefits under [WAC 388-450-0035](#) (2), allow only the expenses **above** the educational benefits you disregarded as an expense for Basic Food. See [WAC 388-450-0185](#) for information on expenses that can be allowed as a deduction for Basic Food.

EXAMPLE A client gets \$1200 in educational benefits through the Perkins Act for January through March. \$400 is identified as being for childcare expenses. Client pays \$195 monthly for the care of their daughter. \$400 Earmarked expense / 3 months = \$133.33 per month allotted for child care.

\$195.00

-133.33

\$61.67 allowed for **Dependent-care deduction**

See [INCOME - Effect of Income on Eligibility and Benefit Level](#) for information on deductions for Basic Food.

4. **Student loans:**

Consider student loans that clients must repay as bona fide loans under [WAC 388-450-0015](#). Do not count student loans as income regardless of whether the student is part-time, full time, a graduate student, or an undergraduate.

5. **Work study:**

Count work-study income that is not specifically excluded in [WAC 388-450-0035](#) as earned income using the following steps;

1. **For cash assistance:**

1. Exclude the amount earmarked for educational expenses;
2. Subtract the difference between the AUs need and payment standard from the remaining income of (i) above; and
3. Budget the remaining income as earned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.

2. **For Basic Food:**

1. Exclude the amount earmarked for educational expenses; and
2. Budget the remaining income as earned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.

3. Refer to the ACES manual, [Income Eligibility and Budgeting - Special Income Situations - Work Study Income](#)

NOTE: Examples of work-study income that is **not excluded** under [WAC 388-450-0035](#) include WorkFirst work-study and state-funded college work study for Basic Food and VA work-study for cash and Basic Food. See [STANDARDS - Cash Assistance](#) programs to find the need and payment standards for the AU. See [WAC 388-450-0170](#) for the TANF / SFA earned income incentive and deduction and [WAC 182-509-0175](#) for the MCS earned income incentive and deduction.

6.

EXAMPLE MCS client began school in September and has attendance costs of \$600 for the semester of September through December. The client gets VA educational assistance of \$400 a month.

\$1600 VA educational assistance Sept. - Dec. (\$400x4)

- \$600 Attendance costs

\$1000 Non-excluded income

\$1000 Non-excluded income

÷ 4 Months in term

\$250 Monthly unearned income

Educational assistance for TANF / SFA, RCA, GA and medical programs for children, pregnant women and families:

1. Look at the student's financial aid award letter to identify the amount and type of educational assistance.
 2. Disregard and exclude educational assistance as allowed under [WAC 388-450-0035](#).
 3. Subtract the difference between the AU's need and payment standard from the remaining income of [c.] above. See [STANDARDS - Cash Assistance](#) to find the need and payment standards for the AU.
 4. Budget the remaining income as unearned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.
7. **Carl D. Perkins (Perkins Loan Program) educational assistance for TANF / SFA, RCA, GA medical programs for children, pregnant women and families:**
1. Decide if the student is a full-time or half-time student. The school defines a full-time schedule. A half-time schedule is at least 1/2 the full-time schedule.
 2. Subtract attendance costs allowed in subsections (2) (a) and (b) of [WAC 388-450-0035](#) from the student's educational expenses based on the student's full- or half-time status.

3. Subtract the difference between the AU's need and payment standard from the remaining income of [b.] above. See [STANDARDS - Cash Assistance](#) to find the need and payment standards for the AU.
 4. Budget the remaining income as unearned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.
8. **Veteran's Administration educational assistance for TANF/SFA, RCA, GA and medical programs for children, pregnant women and families:**
1. Subtract all attendance costs allowed in sub-sections (2) (a) and (b) of [WAC 388-450-0035](#) from the student's educational assistance. Budget the amount left as unearned income to the AU. Average this income over the period of time the VA states the assistance is for.
 2. **DO NOT** deduct the difference between the assistance unit's need standard and payment standard.

NOTE: If a client is still employed in work-study over the summer and is not taking classes, do not subtract any educational expenses.