

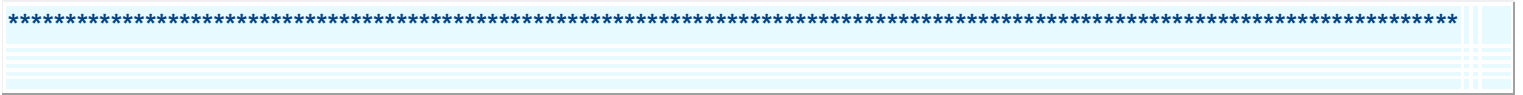
Department of Social and Health Services
Olympia, Washington
EAZ Manual

Revision #1044
Category Budgeting
Issued November 26, 2019
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Summary

Updating minimum wage and adding additional programs required to have correct actual hours.

See below for edited text:



Budgeting

Revised ~~September 13, 2017~~ November 19, 2019

Worker Responsibilities

The following topics are discussed below:

- ~~Budgeting for Apple Health for Kids and Pregnancy Medical~~
- Recording Hours of Employment
- Best Estimate
- Averaging

- When AM Must Be Used to Budget Income
- Month of Application
- Client Choice
- Special Circumstances for Budgeting Income and Expenses
- Budgeting Income for Medical Programs
- Budgeting Deductions
- Effect of Incorrect Estimates
- Determining the Effective Date When a Client's Income Causes Them to be Ineligible

~~Budgeting for Apple Health for Kids and Pregnancy Medical~~

~~You may choose the budgeting method for Apple Health for Kids (WAC 182-505-0210) and/or pregnancy medical (WAC 182-505-0115) that is most beneficial to the client.~~

- ~~1. You may choose either anticipated monthly (AM) or averaging (CA) budgeting methods.~~
- ~~2. You don't have to use AM method in the month of application.~~
- ~~3. You may need to use a different budgeting method for cash or food.~~

~~These households are continuously eligible; therefore, changes in income or household composition will not affect eligibility for Apple Health for Kids and pregnancy medical~~

EXAMPLE:

~~Peter applies for Basic Food and medical for his 6-year-old son. Peter is employed and earns \$1200 every other week. The gross income limit for Basic Food and Apple Health for Kids for a household of two is \$2430. He will receive two checks in the month of application. Using the CA method, Peter's income would put him over the income limit for both programs ($\$1200 \times 2.15 = \2580). Using the AM method, Peter will be under the income limit for both programs because only the two checks he will actually receive in the month of application will be budgeted ($\$1200 \times 2 = \2400). Budget his income using the AM method to open up the F06/Basic Food, and set a tickle to adjust Peter's income in a month where he will receive three paychecks.~~

EXAMPLE:

~~Scott, Sally and 4 year old Suzie apply for TANF, food benefits, and medical. Scott's been self-employed for the last 2 years as a house painter but work has slowed down. Sally is unemployed and pregnant. They provided all categorical eligibility criteria and last year's federal IRS tax return (net yearly income of \$36,000.00/\$3000.00 monthly). The declared income and business expenses from the last IRS return is below the 4 person FPL for both P02 (\$3183.85) and F06 (\$3442). Unless questionable, open P02 and F06 based on the information provided. For TANF and food benefits, pend for more recent verification of income and actual business receipts as appropriate.~~

EXAMPLE:

~~Christie has mailed an application for pregnancy medical in October. She included all categorical eligibility criteria, EDC statement, and September wage stubs. She's worked at ABC Bookstore for~~

the last three years. She is a salaried employee, earning \$1400.00 gross income per month. The worker verifies her income via SPIDER cross-match and as they represent current and/or anticipated income, opens P02 medical.

EXAMPLE:

Jamie leaves an application at the local office, applying for children's medical for her two kids. She attached all categorical eligibility criteria. The application states she works fulltime, earning \$1800.00 gross per month as a transit bus driver. She also receives \$400.00 per month in child support. The worker verifies earnings of \$2100.00 via SPIDER and the DCS cross-match confirms \$400.00 per month child support, for a total gross income of \$2500.00/month. Even though the declared income is different than the verified income of \$2500.00 per month, it is still less than the 3 person FPL of \$2862.00 and the worker opens F06.

NOTE:

If the readily available income verification for the household is HIGHER than their declared income but LOWER than the income standard, do not delay processing for verification of the lower income amount.

Recording Hours of Employment

For WorkFirst TANF, Working Family Support (WFS), and Able-Bodied Adults Without Dependents (ABAWD) cases, we must verify and capture record the anticipated hours that a person will be working in the same manner that we budget anticipated income. This is necessary to capture hours of employment for WorkFirst, WFS, and ABAWD households. [GS(1)] We use ACES ACES 3G 3G (not eJAS) data to claim WorkFirst employment hours towards meeting the federal TANF work participation rate [DJ(2)], to help determine who qualifies for WFS, and for ABAWD Basic Food eligibility [GK(3)].

-Treat in-kind income, such as working in lieu of paying some or all of one's rent, as employment, verify the hours and enter the hours into ACES ACES 3G 3G. This intensive recording does not include child only TANF cases, or self-employment (SE) income. See separate instructions below for how to code self-employment (SE) hours.

ACES ACES 3G 3G will automatically capture records and reports employment hours from the ongoing month forward. See the following links for information about how to capture record and report employment hours in historical months from the employment start date.

- Regular employment - WorkFirst Handbook section 8.1.4
- Community Jobs - WorkFirst Handbook section 8.3.4012 [DJ(4)]

Note: Community Jobs and Job Connection pays the state or local minimum wage, whichever is higher.

For employed persons on TANF WorkFirst, WFS, or ABAWD employment, we record:

- The best estimate of the actual hours we expect the person to work each month when we budget their anticipated income using the Anticipate Monthly (AM) method; or
- An average monthly amount of hours using the Combined Average (CA) budgeting method and the person's pay frequency; and
- The actual date the person's work began, particularly for new jobs.

For self-employed persons on TANF, ~~ACESACES 3G-3G will use~~ SE data to calculate the average weekly hours of SE and display that information in eJAS.

- ~~ACESACES 3G will apply~~ the 50% SE expense standard deduction or use the ~~parent's~~ participant's allowable, verified business expenses, as appropriate, to determine the amount of the cash grant without any action on your part. Only enter verified business expenses on the ~~ACESACES 3G~~ EARN screen. ~~ACESACES 3G will treat~~ all SE earned income expense types as actual business expenses.
- Self-employment formula to calculate federally countable ~~WorkFirst~~ PT or FT participation hours:
 1. ~~ACESACES 3G will subtract~~ the ~~parent's~~ participant's allowable, verified business expenses or the 50% SE expense standard deduction, whichever is greater, from her or his gross monthly business receipts.
 2. Divide the result by the federal minimum wage (\$7.25/hour).
 3. The result is the number of self-employment hours per month.
 4. Divide the number of hours per month by 4.33.
 5. The result is the number of hours per week.

NOTE: Though we must ~~capture-record~~ and verify the hours and start date information to the best of our ability for ~~TANF~~ WorkFirst, it is **not an eligibility requirement** by itself. We cannot delay or deny benefits for missing hours or begin date information when we do not need it to determine benefits.

Steps to arrive at the best estimate of the client's income

1. During the interview process, identify all sources of earned and unearned income that are:
 1. Owned by the client; and
 2. Available to the client.
2. Subtract any income excluded or disregarded; and
3. Budget the income remaining using the appropriate calculation method based on the client's choice or the requirements of WAC 388-450-0215.

How to determine the best estimate of a client's income and hours

The best estimate of a client's income and hours is:

1. What hours you can reasonably expect a client to work (including overtime hours); and
2. What income is reasonably expected to be received for the pay period frequency?

EXAMPLE Client who is paid yearly \$18,000.00 in June, applies in June and estimates they will continue to earn \$18,000.00/year. $\$18,000.00/\text{year} \div 12 \text{ months} = \$1,500/\text{month}$. Budget \$1,500.00/month **for the month of application**, then budget \$1,500.00/month on-going.

EXAMPLE Jerry, a seasonal farmworker, is in the office for a Basic Food/TANF re-certification. Jerry isn't currently working and has no other income. In the past several years, he has always worked this season and had an average monthly income of \$900.00. Jerry states he intends to work as soon as the farms start hiring. Since no source of income is identified, no income should be budgeted. When Jerry starts working, he must report the change for TANF which will affect his Basic Food. If Jerry was Basic Food-only, he would not have to report until his income exceeded 130% of the FPL.

EXAMPLE Dawn ends her job at Burgertown on June 30th to work at Lotsabooks.com. Burgertown pays weekly on Fridays with a one-week period between the end of a pay period and the payday for that week's work. The job at Lotsabooks starts on July 5th. Pay periods at Lotsabooks are the 1st - 15th and 16th - End of month. Dawn is paid ten days after the pay period ends (the 10th and 25th). When you estimate the income for July, consider that she will: –Receive the last check for Burgertown on July 7. –Receive the first check for Lotsabooks on July 25th, which will be for a partial pay period. Remember to update her work hours along with her income if Dawn is on TANF.

EXAMPLE Bob normally works 30 hours per week at a department store. Every other month he works 20 hours overtime to conduct inventory at the store. Since the overtime hours are consistent and are reasonably expected every other month these hours and income must be included and budgeted for the benefit calculation. Bob's average monthly hours would be 30 hours per week x 4.3 = 129 + 10 hours (20 hours/2 months) = 139 hours per month x the hourly wage = average monthly income. (Note: Remember that overtime hourly rate may be higher if weekly hours exceed 40 hours)

NOTE: What you can expect may vary depending upon length of employment, consistency of hours, wages, and anticipated changes. See [Best Estimate Guide](#). See Interview Requirements for more information on interviews. See [Income - Treatment](#) and [Income - Special Types](#) to find out if a specific type of income is excluded or disregarded. See [WAC 388-450-0005](#) to decide if income is owned by and available to the client.

Averaging

Use the Combined Average (CA) method in [ACESACES 3G](#) to calculate income when clients expect their income to change from month to month, but want their benefits to stay the same. The income we budget and hours we estimate will depend on the frequency that the person is paid.

It may be appropriate to use past wage stubs to do the averaging if it represents what the client expects to receive. In certain situations, such as new employment or recent changes in the client's rate of pay or work hours, it may be more appropriate to use an estimate from the employer.

- 1) Estimate the income and hours **per pay period** as follows:
 - a) If using wage stubs:
 - i) Total the gross income from all pay periods where the income represents what the client should receive; and
 - ii) Divide by the number of pay periods used in step (i).
 - b) If using an employer statement, take the anticipated weekly amount and:
 - i) Multiply by 1 if paid **weekly**.
 - ii) Multiply by 2 if paid **biweekly (every other week)**.
 - iii) Multiply by 52 weeks per year and divide by 24 pay periods if paid **twice a month**.
 - iv) Multiply by 52 weeks per year and divide by 12 pay periods if paid **once a month**.
- 2) Enter the result from step (1)(a) or (1)(b) on the EARN screen in [ACESACES 3G](#) using the CA method and the appropriate pay frequency.
 - a) To get the monthly amount, [ACESACES 3G](#) will take the amount from step (1)(a) or (1)(b) [GK\(5\)](#)[DJ\(6\)](#) and:
 - i) Multiply by 4.3 if paid **weekly**.
 - ii) Multiply by 2.15 if paid **biweekly (every other week)**.
 - iii) Multiply by 2 if paid **twice a month**.
 - iv) Multiply by 1 if paid **monthly**.

NOTE:

The methods listed in step 1 are not [all-inclusive](#)[GK\(7\)](#). Based on the type of employment and frequency of pay, you may find that another budgeting method is more appropriate. It is important that you document in the remarks and describe in detail what method you used to determine the income you budget.

NOTE:

[ACESACES 3G](#) will perform the conversion calculation based on the budgeting method and pay frequency used. See the [ACESACES 3G User Manual](#) for more information.

EXAMPLE: * *

Terry started a new job. The employer states Terry will work 15 - 25 hours per week at [\\$139.50](#) per hour and will be paid twice a month. The employer does not expect this to change. Determine the anticipated income as follows: - (15 hours per week + 25 hours per week) ÷ 2 = 20 hours per week average - 20 hours per week x [\\$139.50](#) an hour = [\\$190-270](#) per week - [\\$270-190](#) per week x 52 weeks = [\\$14,040-880](#) per year - [\\$9,880-14,040](#) per year ÷ 24 pay periods per year = [\\$585411.67](#) per pay period - [\\$585411.67](#) per pay period x 2 pay period per

month = \$1170823.34 per month. ** Determine the anticipated hours as follows: - (15 hours per week + 25 hours per week) ÷ 2 = 20 hours per week - 20 hours per week x 52 weeks = 1,040 hours per year - 1,040 hours per year ÷ 24 pay periods = 43.33 hours per pay period - 43.33 hours per pay period x 2 pay periods per month = **86.66, round up to 87 hours per month* *

EXAMPLE:**

Same situation as above, except client is paid biweekly (every other week). Determine the anticipated income as follows: - (15 hours per week + 25 hours per week) ÷ 2 = 20 hours per week - 20 hours per week x \$139.50 [GS(8)] [DJ(9)] an hour = \$270190 per week - \$270190 per week x 2 weeks per pay period = \$540380 per pay period - \$540380 per pay period x 2.15 = \$1161817 per month* * Determine the anticipated hours as follows: - (15 hours per week + 25 hours per week) ÷ 2 = 20 hours per week - 20 hours per week x 2 weeks per pay period = 40 hours per pay period - 40 hours per pay period x 2.15 = **86 hours per month* *

EXAMPLE:**

Same scenario as above but the client is paid twice a month.** Determine the average income as follows: \$912, \$948, \$984, 960, = \$3,804 ÷ 4 pay periods = \$951 per pay period. -\$951 per pay period x 2 pay periods per month = \$1,902 per month. -Determine the average hours as follows: 76,79, 82, 80, = 317. 317 ÷ 4 pay periods = 79.25 per pay period. 79.25 per pay period x 2 pay periods per month = **158.5 (round up to 159) hours per month* *

NOTE: If you are using past work history to estimate future income, remember that the rate of pay may have changed. Use the average hours from the previous pay periods and the new pay rate to calculate the income.

EXAMPLE:**

Tom applies for cash and Basic Food benefits. He works 20 - 30 hours per week and is paid every other Friday**. Tom earns the minimum wage of \$9.0413.50 [GS(10)] an hour. He provides three pay stubs that show 40, 50, and 54 hours per pay period. Tom states he expects his hours to remain about the same as they have been over these periods. Determine the average monthly income as follows: - (40 hours 50 hours 54 hours) ÷ 3 = 48 hours per pay period - 48 hours per pay period x \$9.0413.50 an hour = \$433.92648 per pay period - \$433.92648 per pay period x 2.15 = \$932.931393.20 per month. Determine the average monthly hours as follows: - (40 hours 50 hours 54 hours) ÷ 3 = 48 hours per pay period - 48 hours per pay period x 2.15 = 103.2 (round up to 104) hours per month.

NOTE:

Take the annual adjustment to **minimum wage** into account when you estimate earnings. The Department of Labor and Industries adjusts the state minimum wage every **January**. The current minimum wage for the state is available at: <http://www.lni.wa.gov/WorkplaceRights/Wages/Minimum/default.asp>

EXAMPLE:

Ann was just hired for a new job. The employer states that Ann will start working 40 hours per week

beginning July 15th, but because of the time lag in the employer's payroll system, Ann won't receive her first weekly check until the first Friday in August. Ann will receive a \$400 weekly salary every Friday. - Budget no income for this job in July. - For August and ongoing months, determine the anticipated monthly income and hours as follows: - Multiply \$400 per week x 4.3 = \$1,720 per month - Multiply 40 hours per week x 4.3 = 172 hours per month. Even though Ann is salaried, we also note the correct hours per pay period in [ACESACES 3G](#). In this example, the client works 40 hours per week.

To find information on entering income and work hours in [ACESACES 3G](#), see [Income Eligibility and Budgeting – \(EARN\) Earned Income Screen](#)

When AM Must Be Used to Budget Income

1. **For Basic Food only, if an AU is destitute under [WAC 388-406-0021](#):**

1. Use AM for the month of application. If you do not have to use AM for any other reason, you may use either AM or averaging for the remainder of the certification period.
2. Provide **expedited service** if available cash resources are \$100 or less under [WAC 388-406-0015](#).
3. See [WAC 388-450-0230](#) to determine if we exclude any of the AUs income for the month of application.

2. **AM and SSI-related medical:**

1. Use AM to budget all of the client's income if:
 1. A client receives SSI-related medical; or
 2. The AU has income allocated to someone receiving SSI-related medical. The following program codes in [ACESACES 3G](#) require AM:

G	G03, G95, G99
L	L01, L02, L04, L21, L22, L95, L99
S	S01, S02, S03, S04, S05, S07, S08, S95, S99

3. For clients in the same **Basic Food AU** with someone receiving SSI, you don't have to use AM to budget the income of the client who doesn't~~You don't have to use AM to budget the income of a client in the **Basic Food AU** with someone receiving SSI-related medical if the client doesn't:~~

1. Receive SSI-related medical;
2. Have income allocated to someone receiving SSI-related medical; or
3. Meet any of the other requirements to use AM under [WAC 388-450-0215](#).

EXAMPLE:

-Sheila receives SSI; her spouse has earned income that Social Security allocates to her. Budget Sheila's SSI income using AM because the income is SSI. Budget her spouse's income using either AM or averaging. Don't allocate income to a spouse receiving SSI medical.

3. 4. When clients get SSI, but no one in the AU gets SSI-related medical:

Budget SSI and Social Security income using AM. If there is no other situation that requires us to use AM, use either method for the other sources of income.

Month of Application**1. AM method is not required**

1. With the exception of those in subsection (5) of [WAC 388-450-0215](#), you do not have to obtain or budget actual income the household has already received in the month of application if you have enough information to reasonably estimate the client's income by averaging.

2. Conversion of Income

1. If a client is paid weekly or biweekly and you convert the income using 2.15 or 4.3 method, you must also convert in the month of application, unless:
 1. A full months' income is not anticipated in the month of application. In this situation, budget AM in the month of application and average the income for the rest of the certification period.
 2. The client chooses to use the AM method. If we use AM in the month of application, we must also use it for the rest of the months in the certification period. See Client Choice for more information.

EXAMPLE:

Jan applied for Basic Food on 01/01/19~~2~~. She just lost her job and has applied for unemployment benefits. In January, she will receive one final paycheck and two unemployment checks. For February and on-going, she will receive weekly unemployment checks. For the application month, budget the final paycheck using AM method since no other earning is expected from this income source, and budget the two unemployment checks using AM method since she did not receive a full-month of UC benefits. For February and on-going, budget the unemployment benefits using CA method (unless Jan chooses to use AM for all months).

EXAMPLE:

Jen applies for Basic Food for herself and two kids on Friday, 07/01/19~~4~~. She was interviewed on 07/05/19~~4~~. Jen works full-time and provided a statement from her employer indicating that she works 30-40 hours a week and is paid \$~~13.50~~~~13.509~~ an hour, every Friday. No change to her employment is

expected in the near future. In the month of July, Jen will receive five paychecks. You do not have to request for a copy of the July 1st paycheck or budget 5 checks in July. Use the employer's statement and budget Jen's income for the **month of application and on-going** using CA/WE method.

EXAMPLE:

Peter applies for Basic Food ~~and medical~~ for his 6-year-old son. Peter is employed and earns \$~~1350200~~ every other week. The gross income limit for Basic Food ~~and apple health for kids for a household of two is~~ \$~~2818430~~. He will receive two checks in the month of application. Using the CA method, Peter's income would put him over the income limit for Basic Food both programs ($\$1350200 \times 2.15 = \2902.50580). Using the AM method, Peter will be under the income limit for both programs Basic Food because only the two checks he will actually receive in the month of application will be budgeted ($\$1350200 \times 2 = \27400). Budget his income using the AM method to open up the ~~F06~~/Basic Food, and set a tickle to adjust Peter's income in a month where he will receive three paychecks.

Client Choice

1. **If you don't have to use AM, clients can choose either budgeting method** unless the client is paid less often than monthly, such as quarterly or yearly. In this situation, we must average the income.
2. **If a client has more than one source of income**, the budgeting method for each source does not have to be the same. For example, if a client has two different jobs, you can use AM for one job and CA for the other.
3. **The client's choice should be guided by whether:**
 1. They want their benefits to remain consistent through the certification period; or
 2. They want their benefits to change based on anticipated changes in income and hours.
4. **Sometimes the client's circumstances make AM a likely choice**, such as when they:
 1. Have stable income such as a regular monthly salary;
 2. Are paid daily;
 3. Expect several changes at different times within the month (e.g. regular hours for the first week, no hours for the second week due to unpaid leave, raise in wages on the third week); or
 4. Expect to get less than a full month's income due to the beginning or end of a source of income.
5. **There are times when one method will be more beneficial to the client.** If a client is ineligible using one method, review the case to see if the client would prefer another method.
6. **Calculation methods cannot be changed during a certification period** just to maximize a client's benefits. Changing calculation methods to give a client more benefits does not result in the best estimate of the client's income and hours for the entire certification period. Changes in methods may occur at:
 1. Application, eligibility review, or recertification; and

2. During a certification period only when the client reports a change that was not considered in the original estimate.
7. **When a client is paid biweekly and chooses AM**, we adjust the client's case for anticipated changes through the certification period as follows:
 1. Determine which months the client will receive an extra check;
 2. Set a tickle with enough time to budget the extra check for that month;
 3. Give advance and adequate notice to the client.
8. **If a client reports a change in their income and hours**, take the following steps:
 1. Determine if the change will last at least a month beyond the date the client reported the change;
 2. If so, re-calculate this source of income.
 3. Document the change and whether or not it is expected to last at least a month beyond the month the change was reported.
 4. Record the actual job start date in [ACESACES 3G](#). This will allow us to report employment hours for all of the time the client has been working.

NOTE: Inform the client how the choice of methods will affect their benefits and let them choose the method.

NOTE: If you average income using the weekly or every-other week conversion, you are better protected against payment errors because it accounts for extra periodic checks. Since conversion is based on an annual average, it's safe to convert income received weekly or every-other week even if the client will not get an extra check.

NOTE: Include the work hours to correspond with the pay frequency selected for budgeting.

EXAMPLE Gina calls us on January 9th to report that she is working. She started work on December 3rd and expects the work to continue beyond the ongoing month. When we enter her income and hours for February and ongoing, we must be sure to record her start date of 12/3 as well.

NOTE: See [WAC 388-418-0020](#) to determine the effective date of a change in the client's benefits.

Special Circumstances for Budgeting Income and Expenses

Self-Employment. See:

- [Calculating Self Employment Income- For Basic Food Benefits](#)
- [Calculating Self Employment Income - For TANF, SFA, PWA, ABD, MCS, and Family Medical](#)
- [Calculating Self Employment Income – For Children's and Pregnancy Medical Programs](#)
- [Calculating Self Employment Income – For SSI Related Medical](#)

- 1) **Clients that receive their annual income over a timeframe less than a year under contract:**
 1. When a client gets their annual income over a period of less than a year as a part of the client's

employment contract, average their annual income and hours over a 12-month period unless the client is:

- a) A migrant or seasonal farmworker; or
- b) Paid on an hourly or piecework basis.

2) **Other contract income:**

- a) If a client's income that is paid under contract is **not the client's annual income (yearly)**, we average the income over the period of time the contract income covers unless the client is: **[DJ(11)]**
 - i) A migrant or seasonal farmworker; or
 - ii) Paid on an hourly or piecework basis.
- b) Examples of employees that may receive their income under contract include:
 - i) School Employees;
 - ii) Bus Drivers;
 - iii) Farmers; and
 - iv) Fishers.

NOTE:

For employed TANF clients paid on a piecework basis, record the corresponding hours to the pay frequency as any other pay rate. If the hours are unavailable as part of the income verification process, use the following formula to estimate piecework hours: - Take the gross anticipated income for the pay period; and - Divide by the federal minimum wage, currently \$7.25. Enter the appropriate amount in the 'hours' field consistent with the job's pay frequency.

EXAMPLE:

Linda is employed as a teacher for Evergreen School District. As allowed under her contract, she receives her annual salary of \$31,002 in the months of September through June of each year. Because this is the client's annual income, we budget 1/12 of the client's yearly income (\$2583.50) for each month even though she doesn't receive a paycheck from the school district in July or August. If she receives TANF, enter her annual hours to correspond with the annual pay frequency. However, if we are budgeting by the individual month, budget the actual hours anticipated for the month.

EXAMPLE:

Jordan is applying for ABD cash receives \$12,600 every December from a trust fund that was set up to distribute an inheritance from his grandmother. The fund cannot be accessed in any other manner. We average this income throughout the entire year and budget \$1,050 monthly.

EXAMPLE:

Bob is on TANF and is paid per bushel of cherries picked. His wage stubs clearly verify his weekly income, but do not indicate his hours worked. The weekly pay we are budgeting based on the verification is \$200.00. To estimate his work hours, we divide \$200 by \$5.15 to get 38.83 weekly hours. We enter 39 hours, consistent with the pay frequency we used to budget his income.

4. Budgeting the earned income of a child turning age 18:

1. Count or exclude the earned income of a child according to [WAC 388-450-0070](#). For cash assistance, consider a client to be a child if they meet the requirements of [WAC 388-404-0005](#).
2. We use a child's age on the first day of the month as the child's age for that month.

EXAMPLE:

If a child turns 18 on August 8, consider them as 17 in August and 18 in September. For Basic Food, you would not budget the child's earnings for August and would budget the income in September.

NOTE:

[ACES ACES 3G](#) reads the age of the child as well as their student status and applies this rule.

5. Budgeting child support that fluctuates :

You can use either AM or CA to budget child support you expect a client to receive. Determine the amount to budget based on what you can reasonably expect knowing the client's current support, what they received in the past, and changes that you anticipated changes. Document your decision, [as described in Documentation \(12\)](#).

When you know of a change in child support income, decide if the new amount is something you can expect to continue or if the original estimate was valid.

1. If the support is paid through DCS, you can contact DCS and the client to determine if:
 1. There was a change that would impact your estimate for the monthly support (such as a new support order); or
 2. The change could be explained by some short-term situation such as:
 1. Job changes, with a lag between the start of the job and the start of the payroll deduction for support;
 2. Was making larger payments for a period of time to pay arrears, and is now caught up; or
 3. Was off work for a period of time and DCS was unable to collect support.
2. If the support is not paid through DCS, you can contact the client and request information to help determine why the support changed.

NOTE:

If you decide the amount budgeted should be changed, see [WAC 388-418-0020](#) to determine the effective date of the change. For clients that receive support through DCS, consider the change as known to the department and don't require additional verification of the amount.

NOTE:

For Basic Food, if the entire amount of child support arrears is paid off in a single payment, consider the amount for arrears as a lump sum payment and count it as a resource. Count any amount for current support as unearned income. See [WAC 388-470-0055](#) for information on lump sums.

6. **Budgeting additional cash assistance payments for Basic Food:** If a cash supplement is issued due to a change in income or expenses, do not budget the additional cash against the Basic Food without ten days' notice.

1. When issuing a cash and Basic Food supplement due to adding a person to both AUs, include the cash supplement when determining the Basic Food supplementary amount for that month.

7. **Budgeting a client's partial Unemployment Compensation:** Refer to ESD's [Earnings Deduction Chart](#) to budget anticipated ongoing unemployment benefits when a client is expected to receive partial unemployment compensation.

See [LETTERS](#) for information on timely and adequate notice.

Budgeting Income for Medical Programs

1. Budget the income the client received or expects to receive for the month of application.
2. Use the income you can reasonably expect the client to receive for the month(s) you authorize medical care.
3. See [WAC 388-418-0020](#) - How the department determines the date a change affects my benefits, and [WAC 182-504-0125](#) - Effect of Changes on Medical, for changes in income after certification.

Budgeting Deductions

1. Budget allowable expenses for the month you expect the client to have the expense using AM budgeting or an offline average. Dependent care expenses can be converted using [ACESACES 3G](#).
2. See INCOME - Effect on Eligibility and Benefit Level to determine if an expense is allowed as a deduction for cash or Basic Food.
3. Refer to the [ACESACES 3G User Manual](#) for information on entering expenses for deductions.

NOTE: If you choose to average an expense outside of [ACESACES 3G](#), your documentation must clearly show that you averaged the expense and how you came about the amount you entered for the expense.

Effect of Incorrect Estimates

1. **When clients receive less income than estimated, do not** supplement benefits unless you made an error in calculating the client's benefits.
2. If a TANF/SFA-eligible assistance unit receives less income than you anticipated, see [EMERGENCY ASSISTANCE](#) to determine if this created an emergent need and if the client may be eligible for AREN.

Determining the Effective Date When a Client's Income Causes Them To Be Ineligible

For information regarding changes that cause ineligibility, see [WAC 388-418-0020](#).

See [WAC 388-406-0055](#) for the effective date of eligibility for cash assistance applications.

See [WAC 388-450-0162](#) for the definition of countable income and its effect on eligibility.

Clarifying Information

1. Count **only** income received between the first of the month and the date of application. Do **not** count any income from a new source that is anticipated **after** the date of application.

EXAMPLE Ted applied for assistance on April 15. His household is destitute because he is a migrant farmworker and received \$50 income from a terminated source on April 8, and expects to receive \$575 from a new source on April 26. Consider **only \$50** for the month of application.

1. If a client receives money after the date of application, and this money is **not from a new source**, the client is not destitute under [WAC 388-406-0021](#). In this case, we budget the actual amount the client received from the date of application to the date of the client's interview as well as the income we estimate the client will receive for the remainder of the month.
2. Apply the above procedures at initial application and recertification, but only for the first month of each certification period. At recertification, disregard income from a new source in the first month of the new certification period if income of more than \$25 will not be received from this new source by the 10th calendar day after the date of the AU's normal assistance cycle.

EXAMPLE A client whose Basic Food AU number ends in an "8" applies for recertification on May 15. The certification period ends on May 31. The AU is destitute and expects to receive \$700 from a new source on June 25. Disregard \$700 for June because the AU will not receive it by June 18.

Clarifying Information - [WAC 388-450-0245](#)

Some situations that could lead to a suspension of benefits include when:

1. Use AM for a client paid weekly or every-other week and they receive an extra periodic check;
 2. Clients get pay from an additional temporary job;
 3. Clients get overtime pay;
 4. Clients get one-time income such as a bonus on individual performance; and
 5. Clients get a quarterly payment from an investment.
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~~ACES~~ ACES 3G Procedures

- See [Income Eligibility and Budgeting – \(EARN\) Earned Income Screen](#)
- See [Interview - EDOC](#)
- See [Interview - \(UNER\) Unearned Income Screen - EXTRA field](#)
- See [Change of Circumstances](#)