

FAA4.H Unearned Income (UNIN UNIC)

01 *UNIN - UNIC - Purpose*

Unearned Income (UNIN) is used to key unearned income. Use this screen to add, change or delete unearned income.

Use Unearned Income Calculation (UNIC) to calculate and convert income to be displayed on **UNIN**.

UNIC calculates and [converts unearned income](#) based on the information keyed.

AZTECS calculates the information keyed and displays the information in appropriate fields on **UN** when all mandatory fields are keyed and ENTER is pressed.

02 *Unearned Income - Overview*

REVISION

48

(01/01/20 - 12/31/20)

Unearned income is income received from sources other than any of the following:

- [Employment Income](#)
- [Self-Employment Income](#)
- [Nonmonetary or In-Kind Income](#)
- [Educational Income](#)

Policy and procedures regarding budgeting unearned income are outlined as follows:

- [Types of Unearned Income](#)
- [Unearned Income Verification](#)
- [Budgeting Support Payments](#)
- [Budgeting Unearned Income](#)
- [Changes in Unearned Income](#)

03 *Types of Unearned Income - Overview*

Policy and procedures regarding types of unearned income are outlined as

follows:

- [Adoption Subsidies](#)
- [Agent Orange Payments](#)
- [Alimony or Spousal Maintenance Payments](#)
- [Americorps Network Program](#)
- [Annuities](#)
- [Assistance Payments](#)
- [Begging or Panhandling](#)
- [Black Lung Payments](#)
- [Bureau of Indian Affairs \(BIA\) Payments](#)
- [Burial Benefits](#)
- [Filipino Veterans Compensation Fund](#)
- [Grant Diversion Payments](#)
- [Cash Gifts](#)
- [Child Care Payments \(Title IV-A\)](#)
- [Child Care Food Program Payments](#)
- [Child or Medical Support](#)
- [Clinical Trial Compensation](#)
- [Commissions From Terminated Employment](#)
- [Complementary Assistance](#)
- [Cash Contributions](#)
- [Noncash Contributions](#)
- [Disaster Relief](#)
- [Diverted Funds](#)
- [Dividends and Royalties](#)
- [Earned Income Tax Credit \(EITC\)](#)
- [Emergency Food Program](#)
- [Energy Assistance Payments](#)
- [Federal Relocation Assistance Payments](#)
- [Foster Care Payments](#)
- [Gift Cards](#)

- [Grandparent Kinship Care Support Service Payment/Stipend](#)
- [Guardian Subsidy Payments](#)
- [Hemophilia Relief Fund Settlement Payments](#)
- [Indian Claims or Funds](#)
- [Indian Gaming Income](#)
- [Individual Development Account \(IDA\) Deposits](#)
- [Individual Development Account \(IDA\) Withdrawals](#)
- [Inheritance](#)
- [Insurance Payments](#)
- [Interest Payments](#)
- [Lease or Royalty From Indian Land](#)
- [Leave Pay From Terminated Income](#)
- [Legal Settlements](#)
- [Loans](#)
- [Lump Sum Payments](#)
- [Matching Grant \(MG\) Program Payments](#)
- [Mathematica TANF Survey Incentive Payments](#)
- [Military Income](#)
- [Mortgages and Sales Contracts](#)
- [Nazi Persecution Payments](#)
- [Nutrition Assistance Program \(NAP\)](#)
- [Phen-Fen Payments](#)
- [Plan for Achieving Self Support](#)
- [Public Housing FSS Escrow Account](#)
- [Radiation Exposure Compensation Act Payments](#)
- [Railroad Retirement](#)
- [Reimbursements](#)
- [Rent or Housing Cost Sharing](#)
- [Rental Property](#)
- [Retirement and Pension Benefits](#)
- [S Corporation Profits](#)

- [School Clothing Allowance](#)
- [Senior Community Service Employment Program \(SCSEP\)](#)
- [Social Security Administration \(SSA\) Benefits](#)
- [Spina Bifida Payments](#)
- [Strike Pay](#)
- [Summer Components Program \(SCP\)](#)
- [Supplemental Security Income \(SSI\)](#)
- [Supplemental Unemployment Benefits](#)
- [Tax Refunds - State](#)
- [Tax Refunds - Federal](#)
- [Third Party Beneficiary Payments](#)
- [Trade Readjustment Allowance \(TRA\)](#)
- [Unemployment Insurance \(UI\)](#)
- [USA Patriot Act of 2001](#)
- [Uniform Services Former Spouse Protection Act](#)
- [Vendor Payments](#)
- [Veterans Administration \(VA\) Benefits](#)
- [Victims of Crime Act \(VCA\) Payments](#)
- [VOLAG or RA Reception and Placement \(R&P\) Grants](#)
- [Wartime Relocation of Civilian Law](#)
- [Weatherization Assistance](#)
- [Winnings](#)
- [Women, Infants, and Children \(WIC\) Program](#)
- [Work Experience Program Payments \(WEX PPEP\)](#)
- [Worker's Compensation](#)
- [Workforce Innovation and Opportunity Act \(WIOA\)](#)
- [529 Educational Savings Account Payments](#)

A Adoption Subsidy Payments

REVISION

46

(01/01/18 - 12/31/18)

Adoption subsidy payments are federally, state, or locally funded assistance payments provided to children with special needs. These

payments are intended to help a child whose special needs otherwise might hinder their adoption. Adoption subsidy payments vary depending on the special needs of the child.

For CA, adoption subsidy payments are not countable as income.

For NA, adoption subsidy payments are countable as income.

Key the AD Unearned Income Code in the INC TYPE field on UNIC next to the child for whom the payment is intended. (See [Budgeting Adoption Subsidy Payments](#))

When unable to obtain proof from the sources listed in [UNIN verification](#) to verify receipt of State of Arizona Department of Child Safety (DCS) Adoption Subsidy payments, send a request via email to the [DCS Verification Contact](#).

.01 Budgeting Adoption Subsidy Payments

[REVISION 46](#)
(01/01/18 - 12/31/18)

[Adoption subsidy payments](#) are considered income of the child for whom the payments are intended.

When the Adoption subsidy payments are calculated daily, the check amounts fluctuate monthly based on the number of days in each month. When the receipt of Adoption subsidy payments is normal and expected to continue, budget the income as follows:

- When the daily rate is the same, multiply the rate by 365 days and divide by 12 to determine the monthly amount. Key the MO Income Frequency Code on UNIC.
- When the daily rate varies, budget all income received in the past 30 calendar days or longer. Key the appropriate Income Frequency Code on UNIC.

When the Adoption subsidy payments received from the last 30 calendar days or longer does not represent the participant's ongoing income, see [Projecting Income](#).

B Alimony or Spousal Maintenance Payments

[REVISION 19](#)
(01/01/12 - 03/31/12)

Alimony and spousal maintenance payments are court-ordered support amounts, paid by a legally divorced or separated individual,

to the [spouse\(g\)](#). Alimony and spousal maintenance payments are countable when received by the participant. (See [Budgeting Support Payments](#))

Key the appropriate Spousal Maintenance income code in the INC TYPE field on UNIC.

C Americorps Network Program

[REVISION 46](#)

(01/01/18 - 12/31/18)

Participants who are active in the AmeriCorps Network Program receive payments for the following:

- Living allowances
- Earnings
- In-kind aid

The AmeriCorps Network Program includes, but is not limited to, the following:

- Arizona Conservation Corps (AAC)
- Arizona Council of Centers for Children and Adolescents (ACCCA)
- Border Volunteer Corps (BVC)
- National Civilian Community Corps (NCCC)
- Mesa AmeriCorps Community Services Partnership
- Rural Health Office, University of Arizona
- Youth in Action, Learn and Serve

AmeriCorps Network Program payments are not countable.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

For budgeting of Domestic Volunteer Services Act (including AmeriCorps VISTA) income, see [Volunteer Income](#).

D Annuities

Annuities are payments for a lifetime or specified number of years. Any annuity payments received by the participant are countable. The payments may be received annually, quarterly, monthly or more frequently. (See [Converting Income](#))

Key the RP Unearned Income Code in the INC TYPE field on UNIC.

E Assistance Payments

Revision 50

(01/01/2022-12/31/2022)

Assistance payments are monies provided to eligible applicants. The payments can be from federal, federally aided, or state public assistance programs, and include the following:

- [Assistance Payments From Another State](#)
- [Cash Assistance \(CA\) Payments](#)
- [CA Sanction Income](#)
- [Complementary Assistance](#)
- [Disaster Relief](#)
- [Emergency Assistance \(EA\) Payments](#)
- [Emergency Food Program](#)
- [Emergency Rental and Utility Assistance Program \(ERAP\)](#)
- [Energy Assistance Payments](#)
- [Federal Relocation Assistance Payments](#)
- [Grant Diversion Payments](#)
- [Low Income Household Water Assistance Program](#)
- [Matching Grant \(MG\) Program Payments](#)
- [Nutrition Assistance Program](#)
- [Refugee Cash Assistance \(RCA\) Payments](#)
- [Recoupment of CA Income](#)
- [Supplemental Security Income \(SSI\)](#)
- [TANF Differential Payments](#)
- [TPEP Sanction Income](#)
- [Tuberculosis Control \(TC\)](#)
- [Unemployment Insurance \(UI\)](#)
- [Veterans Administration \(VA\) Benefits](#)
- [VOLAG or RA Reception and Placement \(R&P\) Grants](#)
- [Women, Infants, and Children \(WIC\) Program Benefits](#)
- Other assistance based on need

[Verify receipt of assistance payments.](#)

.01 Assistance Payments from Another State

Assistance payments received by the participant from any other state are not countable. (See [Duplicate Participation](#))

Count any portion of the payment when received and intended for the current month.

Treat assistance payments received for prior months as a resource. (See [Lump Sum - LIAS](#))

Key the AP Unearned Income Code in the INC TYPE field on UNIC.

.02 Cash Assistance Payments

[REVISION 51](#)

(01/01/23 - 12/31/23)

Cash Assistance (CA) or [Tribal TANF](#) benefits from Arizona are countable to the NA budgetary unit. (See Example [CA Benefits 1](#), Example [CA Benefits 2](#), and Example [CA Benefits 3](#)).

NA EXCEPTION

CA benefits received for a prior month are not countable. (See [lump sum payments](#) received for a prior month.

When the assistance payments are not received from Arizona, see [Assistance Payments from Another State](#).

UNIN is updated by AZTECS for the NA program at the time of CA or Tribal TANF authorization. UNIN displays the AF Unearned Income Code and the calculated CA amount next to the PI. The AF EX Unearned Income Code displays when the CA benefits are received for a prior month.

AZTECS does not interface with any of the following Tribal TANF programs:

- Navajo Nation Department of Self Reliance (NNDSR)
- Pascua Yaqui Tribal TANF (PY YOEME)
- San Carlos Apache Nnee Bich'o Nii TANF
- White Mountain Apache TANF

Manually key Tribal TANF payments received by these Tribal TANF programs on UNIN using the AF Unearned Income Code

AZTECS counts the full CA benefit amount in the NA budget when CA payments are reduced or closed for any of the following:

- [CA sanction for noncompliance](#)
- [Withholding of TPEP benefits](#)
- Intentional or unintentional CA overpayments caused by the participant. This includes changes reported untimely, fraud and [IPV](#) (See [Recoupment of CA Income](#))

.03 Recoupment of CA Income

CA fraud recoupment is the result of an identified participant being prosecuted in a court of law for either of the following:

- Fraudulently receiving CA payments
- Having committed an [Intentional Program Violation](#) (IPV)

Use the following instructions to determine the amount of CA income to count towards the NA payments:

- Determine whether any participant in the NA budgetary unit is receiving CA benefits.
- Check the name of the CA case and the Social Security Number against the list of CA Court Convictions.
- When the case is on the list, ensure the IPV participant is coded DF on SEPA and IP on DISA.
- Compare OVCH with AFBH to determine the amount recouped and the fraud status.

NOTE **AZTECS** budgets the original CA payment amount displayed on AFBH.

.04 CA Sanction Income

REVISION 49

(01/01/21 - 12/31/21)

CA payments are sanctioned when a participant of the CA budgetary unit fails to comply with one of the following:

- The [Personal Responsibility Agreement](#) (PRA) (FAA-1523A) form.
- The OnBase FAA-1523A Unity form when a voice signature option is available.
- The Personal Responsibility Agreement (A026) notice.

AZTECS counts the gross amount of CA before the reduction when there is a noncompliant participant. AZTECS codes the following:

- The actual CA payment amount, as AF income to the budgetary unit, next to the PI.
- The reduction amount, as SA income to the budgetary unit, next to the noncompliant participant.

When the CA budgetary unit is closed due only to [Progressive Sanction](#) policy, AZTECS completes the following:

- Counts the gross amount of CA the budgetary unit would have received.
- Codes the income SA next to the noncompliant participant.
- Counts the income through the end of the current NA approval period.

NOTE Remove the SA income when the budgetary unit is closed for any reason other than progressive sanction policy.

When a progressive sanction is in effect and a new NA approval period begins, remove the SA income. (See Example [Sanction Income](#))

The progressive sanction no longer affects the NA budgetary unit when the noncompliant participant moves out. NA benefits may be increased for the month after the month of the report that the noncompliant participant has moved. (See [Removing a Participant](#))

The SA income follows the noncompliant participant when that participant leaves the home.

When the noncompliant participant enters an NA budgetary unit, the participant's SA income is counted for each month through the end of the NA approval period.

The [Navajo Nation Program for Self Reliance \(NNPSR\)](#) does not interface with AZTECS. When NNPSR CA benefits are sanctioned, the full amount of CA benefits prior to the sanction are countable. When not already keyed on UNIN, key the NNPSR CA benefit amount on UNIN using the NT Unearned Income Code.

When an NNPSR case closes due only to a sanction, the full amount of NNPSR CA benefits remain countable through the end of the current NA approval period.

.05 TPEP Sanction Income

Two Parent Employment Program (TPEP) benefits are withheld when a participant in the TPEP budgetary unit is noncompliant with [TPEP PRA requirements](#).

When a TPEP benefit is withheld due to a noncompliant participant, **AZTECS** counts the gross amount of the TPEP benefit prior to the benefit withholding, to the NA budgetary unit. AZTECS codes the following:

- The actual TPEP payment, as AF income to the budgetary unit, next to the PI.
- The withheld benefit amount, as TS income to the budgetary unit, next to the noncompliant participant.

Complete the following when the budgetary unit is closed for [TPEP noncompliance](#):

- Count the gross amount of the TPEP payment the budgetary unit would have received
- Count the income next to the noncompliant participant using the TS Income Code
- Count the income through the end of the current NA renewal period

NOTE Continue to count the income until the noncompliant participant leaves the budgetary unit or until the NA renewal period ends, whichever occurs first.

.06 Emergency Assistance (EA) Payments

REVISION 48

(01/01/20 - 12/31/20)

Emergency Assistance (EA) payments may be provided by states, local government, tribal governments and disaster assistance organizations.

When the emergency assistance payment is payable directly to the budgetary unit, the payment is countable. Key the EA CA Unearned Income Code in the INC TYPE field on UNIC.

NOTE Do not count retroactive payments intended for prior months.

When the emergency assistance payment is a [Vendor Payment](#), the payment is not countable. Key the EA VE Unearned Income Code in the INC TYPE field on UNIC.

EXCEPTION

Emergency assistance payments provided by tribal governments are not countable. Key the OX Unearned Income Code in the INC TYPE field on UNIC.

See [Emergency Rental Assistance Program \(ERAP\)](#) when the household receives ERAP payments.

.07 Matching Grant (MG) Program Payment

The Matching Grant (MG) Program is an intensive service and early employment program provided to refugees during their first four months residence in the U.S. The Match Grant Program is a temporary alternative to CA and [Refugee Cash Assistance](#) (RCA). Match Grant Program financial and employment related services help the following newly arrived noncitizens attain immediate self-sufficiency:

- Refugees
- Asylees
- Amerasians
- Cubans or Haitian Entrants
- Special Immigrant Visa (SIV) Holders
- Trafficking Victims
- Ukrainian Refugees

MG payments are provided by private non-profit [volunteer resettlement agencies](#) (VOLAGS). During the MG four-month time limit, participants are not eligible to receive CA or RCA benefits. MG income is countable.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

.08 Supplemental Security Income

REVISION

49

(01/01/21 - 12/31/21)

Supplemental Security Income (SSI) is monthly cash payments made under the authority of Title XVI of the Social Security Act, as amended. SSI payments are made to persons who are 65 years of age or older, blind or disabled. SSI is a federally financed public assistance program. The person who receives SSI need not have contributed to the Social Security Fund to be eligible for SSI benefits.

For NA, SSI payments are countable.

For CA, SSI payments are not countable.

When a participant does not receive the [SSI maximum benefit amount](#), document the reason (i.e. another source of income, recoupment due to an overpayment, marital change).

An overpayment for an SSI recipient may be identified through an interface with one of the following:

- The HEAplus State Online Query Internet (SOLQI) Response Data Summary
See the [SOLQI Desk Reference Guide](#) located in the FAA Policy Support SharePoint Site Doc Library for guidance (internal use only)
- Wire Third Party Query Information (WTPI)

When it is determined that an overpayment exists, complete the following to determine whether the overpayment amount should be deducted:

- Discuss with the participant the reason for the overpayment and document the reason in the [case file\(g\)](#).
- Request hard copy or collateral contact verification for the reason of the overpayment only when one of the following occurs:

The reason for the overpayment is [questionable\(g\)](#).

The participant does not know the reason for the overpayment.

- Key the gross amount of the SSI payment on UNIN when one of the following occurs:

The reason for the overpayment cannot be determined.

The overpayment is not being deducted due to an overpayment from the same [income source\(g\)](#).

The participant does not provide verification for the reason of the overpayment, when requested.

NOTE Do not deny or stop benefits.

- Key the gross income minus the overpayment amount (net income) when the overpayment is being deducted due to an overpayment from the same income source.
- Document the case file to support why the gross or net income was keyed. (See Example [Budgeting Net Income Documentation](#))

Count SSI benefits paid to a representative payee on behalf of a participant when one of the following occurs:

- The payee lives with the budgetary unit
- The payee lives outside the home and makes the income available for the support of the participant (See Example [Representative Payee](#))

NOTE The SSI benefits do not need to be given directly to the budgetary unit by the payee but must be used to provide for the needs of the participant to be countable.

When an organization withholds a fee to act as a representative payee for an SSI participant, deduct the monthly fee from the gross income. The amount of the fee is not countable.

Key the gross amount of the SSI benefit unless overpayment recoupment or representative monthly fees deductions are applicable.

Key the SI Unearned Income Code in the INC TYPE field on UNIC.

.09 Tuberculosis Control (TC)

Tuberculosis Control (TC) is an assistance payment that provides support for individuals who are certified unemployable by the State

TC Officer as a result of communicable Tuberculosis. TC payments are countable. Count TC payments when received by the participant.

Key the TC Unearned Income Code in the INC TYPE field on UNIC.

For more information on TC policy and procedures, see [FAASTA.A02](#) titled Tuberculosis Control (TC).

.10 VOLAG or RA Reception and Placement (R&P) Grants

REVISION 50

(01/01/22 - 12/31/22)

The purpose of Reception and Placement (R&P) Grant payments are to assist newly arrived refugees with their initial resettlement expenses in the United States. The payments are provided by [voluntary agencies](#) (VOLAGs) also known as Resettlement Agency (RA). Payments are limited to the refugee's first 30 to 90 days in the U.S.

Afghan refugees may receive assistance from VOLAGs, RAs, or under any of the following programs:

- Sponsor Circle Program
This program is a group of individuals or a community-led resettlement initiative. The goal of this program is to provide initial resettlement assistance to Afghan refugees during their first 30 to 90 days in the U.S. The support includes fundraising of at least \$2,275 per individual welcomed, helping to secure housing; providing basic necessities (furniture, clothing, food, etc.), connecting children to school, providing initial income support, and helping adults to find employment.
- Institutional Partner Program
This program provides airport welcome, housing, furnishings, food and household supplies, school enrollment, employment support, and more to Afghan refugees for the first 90 days after arrival. Currently, there are three organizations involved with this program: Islamic Relief, Samaritan's Purse, and Lions Club International.

NOTE The Sponsor Circle Program and the Institutional Partner Program are also called the Afghan Placement and Assistance (APA) Program.

Regardless of the program that is giving refugees the assistance, it is not countable. Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.11 Assistance Payments Verification

REVISION 50

(01/01/22 - 12/31/22)

When verifying receipt of assistance payments use the following sources in addition to those listed in the acceptable [UNIN verification](#) section:

- Benefit History screens
- Benefit letter
- [Case file\(g\)](#)
- Current check
- State contacts

NOTE For States that prefer to receive requests for verification through email or fax, complete the Verification of Out-of-State Benefits (FAA-1475A) form found in the DES Document Center. Send the form through email or fax to the appropriate State Contact. (See [Duplicate Participation](#)). FAA staff – When faxing documents containing confidential information use the Fax Cover Sheet (DES-1078A) form. This form can be found in the Document Center.

- PRAP - Person alerts
- SEPA - PT field
- [VOLAGs](#)

Requests from other states for verification of Arizona benefits are processed by specialized staff. Inform other states that requests for verification of Arizona benefits must be sent to the following:

- Email: AZStateInquiries@azdes.gov
- Telephone: (602) 771-2047 to leave a message regarding the status of a request

.12 Grant Diversion Payments

REVISION 03

(01/01/08 – 03/31/08)

Grant Diversion payments are not countable. Key the Grant Diversion benefit amount for the first eligible month on UNIN.

NOTE The Grant Diversion payment is the Payment Standard on AFPD multiplied by three. (See [Grant Diversion Keying Procedures](#))

Key the GD DP Unearned Income Code in the INC TYP field on UNIC.

Key income for the second month of Grant Diversion as follows:

- Replace Grant Diversion payment amount on UNIN with zeros.
- Key any expected income as OF for NA on one of the following screens:

EAIN

SEEI

UNIN

.13 Complementary Assistance

Complementary assistance received from other agencies and organizations is not countable when the assistance provided is for basic living expenses that are not included in the [standard of need\(g\)](#).

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

NA EXCEPTION

Count all complementary assistance received by the participant unless specified in policy.

Key the OT Unearned Income Code on UNIC.

.14 Disaster Relief

REVISION 48

(01/01/20 - 12/31/20)

Payments received under the Disaster Relief Act of 1974, as amended by the Disaster Relief and Emergency Assistance Amendments of 1988, are not countable.

Comparable disaster assistance payments provided by states, local governments, tribal governments, and disaster assistance organizations are also not countable.

Disaster relief payments can be received from, but are not limited to, the following:

- Federal Emergency Management Agency (FEMA)
- Red Cross
- The Individual and Family Grant Program (IFGP)
- The Small Business Administration (SBA)

Payments may be made for items and purposes such as, but not limited to, the following:

- Home repair
- Structure restoration
- Appliances
- Furniture
- Clothing

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.15 Emergency Food Program

Food issued by the Emergency Food Programs through the State Department of Education Jobs bill is not countable. (Public Law 988)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.16 Energy Assistance Payments

REVISION 47

(01/01/19 - 12/31/19)

Energy assistance payments or reimbursements issued under any federal, state, or local law when equal to or less than the actual utility expense amount, are not countable as income. This includes, but is not limited to, the following:

- Housing and Urban Development (HUD)
- [Negative Rent Utility Payments](#)
- Public Housing Utility Allowances
- Low Income Home Energy Assistance Programs (LIHEAP)
- Service to Help Arizonans with Relief on Energy (SHARE)
- [In-kind\(g\)](#) energy assistance payments

These payments must be clearly identified as being issued for energy assistance.

Energy assistance paid directly to the utility company is considered a [vendor payment](#).

NOTE Allow all utility costs for budgetary units who receive LIHEAP payments, even when paid as a vendor payment.

When the energy assistance payment paid directly to the participant is more than the actual utility expense, complete the following:

- After deducting utility expenses, key the excess amount on UNIC using the EN NC Unearned Income Code in the INC TYP field.
- Document the case file to support the determination.

.17 Federal Relocation Assistance Payments

Payments made to a participant to relocate because their property was acquired by a federal or federally assisted program are.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.18 Nutrition Assistance Program

[REVISION 49](#)
(01/01/21 - 12/31/21)

Monthly **NAP** benefits issued by the following areas are not countable:

- Puerto Rico (no longer issues a monthly cash benefit)
- American Samoa and the Commonwealth of the Northern Mariana Islands (issues food coupons)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.19 Unemployment Insurance (UI)

REVISION 51

(01/01/23 - 12/31/23)

Unemployment Insurance (UI) is an insurance benefit that may be paid to people when they have lost their jobs and meet other eligibility criteria. State governments pay unemployment insurance from a fund of unemployment taxes or payroll taxes collected from employers.

UI payments are countable as unearned income.

NOTE This includes participants receiving UI income under the age of 18.

Key the UI Unearned Income Codes in the INC TYPE field on **UNC**.

Qualified Railroad employees may receive UI benefits. These benefits are available under the Railroad Unemployment Insurance Act (RUIA) which is administered by the Railroad Retirement Board (RRB). Key the RR UI Unearned Income Code to budget this income for both NA and CA.

Consider the UI benefits available to the participant on the second [workday\(g\)](#) following the date benefits are issued. Use **HOSC** to identify the date benefits are issued.

When the participant states they have recently moved to Arizona investigate the possibility of out of state UI benefits.

When possible receipt of UI benefits from California is indicated, request verification from the State of California Employment Development Department (EDD).

Mail an Authority To Release Information (FAA-1765A) form signed by the participant, along with a stamped, self-addressed return envelope to the [California EDD Address](#).

When a low balance shows for the participant's UI benefits, complete **one** of the following:

- When the UI benefits can be removed from the budget one month after [current system month\(g\)](#), complete the following: Budget the UI benefits in the current system month based on the remaining balance. Roll benefits to the month after current system month and remove the income.

NOTE When determined benefits should be rolled more than one month pass current system month, supervisor approval is required.

- When the UI benefits cannot be removed from the budget in the month after current system month, complete the following: Set a free form Auto Change Tracking System (ACTS) Alert for the month before the month benefits are ending. Indicate that UI benefits are ending.

When a free form ACTS Alert is already created but the UI benefits are still active beyond the CSM, extend the alert to the month before the month UI benefits are ending.

Do not budget future UI benefits when either of the following occurs:

- When any of the following [Pay Type Codes](#) display in the PAY TYPE field on HOSC:
 - 03 - Ineligible due to military waiting period
 - 07 - Disqualified
 - 10 - Waiting Week
 - 12 - Pending unresolved issue
 - 15 - Benefits exhausted
 - 16 - Final pay
 - 17 - Monetarily ineligible
 - 28 - Claimant declines due to employment

NOTE When Pay Type Code 28 is used, there is a possibility the participant may have new employment.

- At the time of benefit approval, there is no date in the ISSUE DATE field on HOSC.

.20 Veterans Administration (VA) Benefits

REVISION 47

(01/01/19 - 12/31/19)

Veterans Administration (VA) benefits are countable. VA benefits are keyed on UNIC with the following Unearned Income Codes:

- Aid and attendant benefits, keyed as VA AA
- Disability benefits, keyed as VA DS
- Early retirement benefits, keyed as VA ER
- Regular retirement benefits, keyed as VA RE
- Survivor and dependent benefits, keyed as VA SU
- Widow benefits, keyed as VA WI
- Other VA benefits, keyed as VA OT

To verify receipt of VA benefits, send a signed Authority to Release Information (FAA-1765A) to the [Veterans Administration](#) when unable to use the sources listed in [UNIN verification](#).

EXCEPTION

VA benefits for [Spina Bifida and Covered Birth Defects](#) are not countable. (Public Law 104 204 and Public Law 106-419)

WARNING

[Veterans Administration](#) Educational Benefits are considered educational income. (See [Montgomery GI Bill](#))

.21 Women, Infants, and Children (WIC) Program Benefits

Special supplemental food program benefits received by participants in the WIC program are not countable. (Public Law 92-433)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.22 Emergency Rental and Utility Assistance Program

REVISION

50

(01/01/22 - 12/31/22)

The Department of Economic Security (DES) provides low-income renters and homeowners with financial relief for housing and utility expenses.

The Emergency Rental Assistance Program (ERAP) assists households that are unable to pay rent and utilities due to the COVID-19 pandemic. The funds are provided directly to States, U.S. Territories, local governments, and Indian tribes. These agencies use the funds to aid eligible households through existing or newly created rental assistance programs. DES is administering this rental assistance program, as allowed under the Consolidated Appropriations Act of 2021.

Eligible households may receive up to 12 months of assistance for past due rent or utilities. An additional extension of three months is available when the agency determines the extra months are needed to ensure housing stability and funds are available.

Assistance must be provided to reduce an eligible household's rental arrears before the household may receive assistance for future rent payments. Once a household's rental arrears are reduced, the agency may only commit to providing future assistance for up to three months at a time.

Households may reapply for additional assistance at the end of the three months when needed and the overall time limit for assistance is not exceeded. Individuals may apply online at the [Emergency Rental Assistance Program](#).

Payments from the Emergency Rental Assistance and Utility Assistance Programs are not countable as income, a resource, or a vendor payment for any other state or federal assistance program.

The ERAP is available to both landlords and renters. While both may apply for assistance, eligibility is based on the renter's address and ability to meet the following criteria:

- The renter has a risk of homelessness, housing instability, or unsafe living conditions demonstrated by the following:

Eviction Notice

Utility Shutoff Notice

Past Due Rent Notice

Other documents that serve as evidence of unsafe or unhealthy living conditions or instability

NOTE ERAP applicants must provide a photo ID, and a utility disconnect notice, or an eviction notice, or other proof of hardship, such as a termination letter. Renters must provide a copy of the lease or rental agreement.

- The renter, or a member of the renter's household, is eligible for unemployment insurance benefits or has experienced financial hardship as a result of the COVID-19 pandemic
- The renter's household income is less than or equal to 80% of the Area Median Income (AMI)

NOTE The payment of existing housing-related arrears that could result in the eviction of an eligible household is prioritized. Assistance priority is also given to renters with household incomes under 50% of the AMI, and to those who have been unemployed for 90 days or longer.

The rental assistance portion of the program serves the following counties:

FAA4.H Unearned Income (UNIN UNIC)

- Apache
- Cochise
- Coconino
- Gila
- Graham
- Greenlee
- La Paz
- Mohave
- Navajo
- Pinal
- Santa Cruz
- Yavapai

Maricopa, Pima, and Yuma County are receiving funding directly from the federal government. These counties' rental assistance programs are separate from this program. Renters residing in these counties are encouraged to contact their local jurisdictions for similar programs.

The Utility Assistance Program serves all counties within Arizona.

To apply, the household completes the application for the [Utility Assistance Program](#) and must provide a copy of the utility bill. The following utility expense types are covered by the Utility Assistance Program:

- Electricity
- Gas
- Propane
- Water
- Wastewater and sewer
- Garbage

NOTE The participant's rental or utility expense amount(s) must not be removed or reduced as a result of participating in this program.

Complete the following:

- Key the OX Unearned Income Code in the INC TYPE field on UNIC.
- For rental assistance, document the case file with the following:
Budgeted HR 133 Emergency Rental Assistance.
- For utility assistance, document the case file with the following:
Budgeted ERAP Utility Assistance Program payment.

.23 Refugee Cash Assistance (RCA) Payments

REVISION

50

(01/01/22 - 12/31/22)

Refugee Cash Assistance (RCA) is temporary assistance available under the [Refugee Resettlement Program \(RRP\)](#) and funded by the Office of Refugee Resettlement (ORR). This payment is for newly arrived single or married refugees with no dependents.

NOTE Refugee participants receiving the [Match Grant payments](#) are not eligible to receive CA or RCA benefits.

RCA eligibility is determined by a [Voluntary Agency \(VOLAG\)](#). The VOLAG is also responsible for issuing the payments.

The payment is available for eight months who arrived before 10/01/2021. Refugees arrived on or after 10/01/2021 are potentially eligible to receive 12 months of RCA benefits. It starts from the date of the refugee's entry into the U.S. The arrival month is included in the eight or 12-month count. The payment time period ends the first day of the 13th month after entry into the U.S.

NOTE For asylees, the eight or 12-month maximum eligibility period begins from the month the asylee status is granted, not the month of U.S. entry.

RCA budgetary units are [Basic Categorically Eligible](#) for NA.

RCA payments are countable for NA and not countable for CA.

Key the OF Unearned Income Code in the INC TYPE field on UNIC to budget the RCA payments received by the refugee household.

NOTE Documentation must support determinations of eligibility and benefit level.

.24 TANF Differential Payments

REVISION

50

(01/01/22 - 12/31/22)

A TANF Differential Payment is temporary assistance available under the [Refugee Resettlement Program \(RRP\)](#) and funded by the Office of Refugee Resettlement (ORR). This payment is for refugee budgetary units receiving CA from FAA. The Payment is issued by a [Voluntary Agency \(VOLAG\)](#) or Resettle Agency (RA).

When the refugee budgetary units has dependents, a VOLAG or RA contacts the FAA Refugee Unit via email or fax for verification of the household's CA eligibility. The [FAA Refugee Offices](#) determine CA, NA, and MA eligibility for refugee budgetary units with dependents.

When the budgetary unit is approved for CA, they are potentially eligible to receive the TANF Differential Payment from a VOLAG. The payment is available for eight months for refugees who arrived before 10/01/2021. Refugees that arrived on or after 10/01/2021 are potentially eligible to receive up to 12 months of benefits. Potential eligibility starts from the date of the refugee household's entry into the U.S. The arrival month is included in the eight or 12-month count. The payment time period ends the first day of the ninth month after entry in the U.S.

NOTE For asylees, the eight or 12-month maximum eligibility period begins from the month the asylee status is granted, not the month of U.S. entry.

The TANF Differential Payments are countable for NA and not countable for CA.

Key the OF Unearned Income Code in the INC TYPE field on UNIC to budget the TANF Differential payments received by the refugee household.

NOTE Documentation must support determinations of eligibility and benefit level.

.25 Low Income Household Water Assistance Program

REVISION 50

(01/01/22 - 12/31/22)

The Low Income Household Water Assistance Program (LIHWAP) provides Arizona households with financial relief toward water and wastewater bills.

ARCHIVED (Valid Until 10/02/23)

LIHWAP is a temporary emergency assistance program created by the U.S. Department of Health and Human Services under the Consolidated Appropriations Act of 2021, with additional funds provided by the American Rescue Plan Act of 2021.

Eligible households statewide may receive up to \$1800 in water assistance, depending on their need. Assistance includes water service restoration, past-due obligations, and future bills.

To be eligible for LIHWAP, an applicant must meet all the following criteria:

- US citizen or qualified noncitizen
- Resident of Arizona at the time of application
- Household income at or below 60% of the state median income for households 8 or fewer or household income at or below 150% of the federal poverty level for households with more than 8 members
- Have not received any other financial assistance for water services during the time for which the applicant is seeking LIHWAP assistance

Applicants whose water services have been disconnected or are pending disconnection are prioritized as follows:

- Households with members over the age of 60
- Households with members under the age of five
- Households with members who have a disability
- Households whose average water bills exceed more than 5% of their monthly income

For additional information about LIHWAP and to apply for the LIHWAP assistance online use the DES portal for the [Low Income Household Water Assistance Program](#). Interested parties may also apply by phone through the hotline at 1-833-2142 or by downloading a paper application from the DES portal and mailing it to the address on the application.

The following documentation must be provided:

- Applicant's photo ID
- Income documents

- Water and/or sewer bills
- Disconnection notice (if applicable)
- Lease agreement (if applicable)

LIHWAP payments are not countable as income, a resource, or a vendor payment for any state or federal assistance program.

NOTE The participant's water expense amount(s) must not be removed or reduced as a result of participating in this program.

Key the OX Unearned Income Code in the INC TYPE field on UNIC. Document the case file with the following: Budgeted LIHWAP assistance payment.

F Begging or Panhandling

Begging or panhandling is countable as a cash contribution.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

G Bureau of Indian Affairs (BIA) Payments

Payments made by the BIA include the following:

- [BIA Clothing Allowance](#)
- [BIA General Assistance](#)
- [BIA TAPP & TWEP](#)

.01 BIA Clothing Allowance

BIA clothing allowances that are available, whether in cash or voucher made payable to the participant, are not countable.

Key BIA clothing allowances in the INC TYPE field on UNIC as OA for CA.

NA EXCEPTION

Count clothing allowances only when the payment occurs more frequently than annually.

Payments made in the form of a voucher that is converted to cash by the budgetary unit is considered income in the month converted to cash.

Key the BI Unearned Income Code in the INC TYPE field on UNIC.

.02 BIA General Assistance

BIA general assistance payments are not countable.

Key the BI Unearned Income Code in the INC TYPE field on UNIC.

.03 BIA TAPP and TWEP

Tribal Assistance Project Program (TAPP) and Tribal Work Experience Program (TWEP) payments are not countable.

Key the BI Unearned Income Code in the INC TYPE field on UNIC.

EXCEPTION

Do not count any portion that is considered an incentive payment or a [reimbursement](#) for work related expenses.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

H Burial Benefits

Burial benefits paid to the participant solely for burial expenses are not countable.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

I Cash Gifts

REVISION 51
(01/01/23 - 12/31/23)

Cash gifts are budgeted as unearned income as follows:

- Nonrecurring cash gifts, when the total of the cash gifts received in a [calendar quarter\(g\)](#) exceeds \$30, are countable as income in the month received.

Key the GI NS Unearned Income Code in the INC TYP field on UNIC.

- Nonrecurring cash gifts are not countable as income in the month received when the total of the cash gifts does not exceed \$30 in a calendar quarter.

Key the GI SP Unearned Income Code in the INC TYP field on UNIC.

- Recurring cash gifts are countable in the month received and in ongoing months. (See [Prorating Income](#) and [Converting Income](#))

Key the GI NS Unearned Income Code in the INC TYP field on UNIC.

A cash gift may be made to the entire budgetary unit and not designated to a specific participant. When this occurs, divide the cash gift among the participants in a manner that is to the best advantage of the budgetary unit.

NOTE Cash gifts exchanged between participants within the budgetary unit are not countable.

J Child Care Payments (Title IV-A)

Childcare payments made to a participant as a result of Title IV-A of the Social Security Act are not countable when the payment is a reimbursement. The payment is not countable, even when the payment exceeds actual childcare expenses. (Public Law 100-485)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

K Child Care Food Program Payments

Payments from the Child Care Food Program (CCFP) are not countable when payments are made to a participant for their own children.

When payments are made to a participant for children other than their own, CCFP payments are countable for NA only as self-employment income. For additional information, see [Budgeting Self-Employment](#).

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

L Child, Spousal or Cash Medical Support

REVISION 44

(08/01/16 - 09/30/16)

Child, spousal or cash medical support is any payment ordered by the court and received by a participant, from any of the following:

- An absent parent
- The Clerk of the Court in Arizona or another state
- Any state's child support centralized payment processing center
- A private collection agency
- The Division of Child Support Services (DCSS)

NOTE For a listing of state web sites that provide child support income information online, see [Child Support Payment information on-line](#).

A child, spousal or cash medical support payment that is received by a participant but not court ordered is countable as a gift unless the payment is a recurring arrearage payment.

WARNING

On 07/01/03, DCSS began issuing child support income to [Benefit Cap children](#). This support income must be keyed next to the participant for whom the support is court ordered to be paid, using the appropriate BC code.

Support payments are considered unearned income of the participant for whom the support is court ordered to be paid. Key the support income on UNIN next to the participant for whom the support is court ordered to be paid using the appropriate support income code.

NOTE Budget current support income over the court ordered amount only when the amount over is due to averaging. Any monies actually received for current support that are over the court ordered amount (not due to averaging) are countable as a gift.

When part of a support payment is for a [Benefit Capped \(BC\)](#) child or a child receiving [Supplemental Security Income \(SSI\)](#), complete the following to identify a specific amount for each child:

- Determine for which children the absent parent is paying child support.
- Divide the total amount of income equally between the number of children receiving support to determine each child's share.
- Key the portion of court ordered support income intended for a BC or SSI child separately using the appropriate BC code.

Key the BC or SSI child's support income next to the participant for whom the support is court ordered to be paid, using one of the following BC codes:

- BC RE (current)
- BC AR (arrearage)
- BC LS (lump sum)

WARNING

Court ordered child support payments intended for a [Benefit Capped Child](#) or a child receiving [Supplemental Security Income](#) must be keyed next to the participant to whom the support is court ordered to be paid.

The following policies and procedures outline which support income is countable or not countable:

- [Countable Support - CA](#)
- [Not Countable Support - CA](#)
- [Countable Support - NA](#)
- [Not Countable Support - NA](#)

(See [Budgeting Child Support](#) for policy and procedures regarding budgeting support payments.)

.01 Countable Support - CA

REVISION

44

(08/01/16 - 09/30/16)

Child, spousal or cash medical support payments are countable when any of the following apply:

- The court ordered payment is made to a participant in the budgetary unit.
- The payment is for a court ordered recurring arrearage payment.
- The payment is paid or returned to the participant by the Division of Child Support Services (DCSS).
- The payment is paid to the participant by a private collection agency.
- The budgetary unit receives support payments after approval and does not turn in the payments to DCSS. (See [Not Surrendered Support](#))

NOTE The participant is allowed to keep child support issued by DCSS for a [Benefit Capped child](#) or a child receiving Supplemental Security Income.

- Child support payments issued through DCSS that exceed the CA benefit amount.

NOTE Child support payments issued through DCSS to a CA Grant Diversion (GD) participant are only countable for the needy family criteria determination.

.02 Not Countable Support - CA

REVISION 44

(08/01/16 - 09/30/16)

Do not count support payments received towards CA when any of the following apply:

- The payment is paid to a participant in the home who is not included in the budgetary unit.
- The payment is a [vendor payment](#), such as rent, or mortgage paid directly to the landlord or mortgagor by the absent parent.
- The payment is an [In-kind benefit\(g\)](#) provided by the absent parent.
- Child support payments issued through DCSS to a CA

participant receiving a Grant Diversion payment only countable for the needy family criteria determination.

- The payment is intended for a [Benefit Capped child](#) or a child receiving Supplemental Security Income (SSI) in a CA budgetary unit.

WARNING

Do not budget any support payments that are assigned and retained by DCSS after CA approval. (See Example [Child or Medical Support 1](#) and Example [Child or Medical Support 2](#)).

.03 Countable Support - NA

REVISION 35
(04/01/15 – 05/31/15)

Court ordered support payments are countable when any of the following apply:

- The payment is paid to a participant included in the budgetary unit.
- The payment is made directly to the participant.
- Legally owed payments are diverted by the provider to a third party for a household expense.

NOTE When the expense is allowable, give the budgetary unit the shelter expense deduction.

- A support payment received after approval [is not turned in to the Division of Child Support Services \(DCSS\)](#). The participant is allowed to keep child support issued by DCSS for a [Benefit Capped child](#) or a child receiving Supplemental Security Income (SSI).
- The court ordered child support payment is issued by DCSS to a CA participant during the three-month Grant Diversion time frame.
- The court issued child support payment is issued by DCSS and is in excess of the CA benefit amount.
- The court has ordered payment be made to the participant, but an in-kind benefit is made instead. Do not key any amount in excess of the court order.

.04 Not Countable Support - NA

REVISION

35

(04/01/15 to 05/31/15)

Support payments that are received by a nonparticipant are not countable towards the NA budgetary unit.

EXCEPTION

The support income of [nonqualified noncitizens](#) must be prorated to the remaining budgetary unit participants. (See [NA Special Considerations](#))

When the court has ordered support payments be paid to a third party instead of the participant, the payment is considered a [vendor payment](#) (See [Budgeting Support 1](#)). Do not count any amount of the vendor payment even when in excess of the court order.

NOTE Do not allow an expense deduction for any expense paid by a vendor payment.

Do not count nonrecurring monies from an absent parent that are not court ordered and that do not exceed \$30 per quarter, per child.

M Clinical Trial Compensation

REVISION 30

(06/01/14 - 07/31/14)

Payments from Clinical Trial [Compensation\(g\)](#) are countable as unearned income.

Key OA for CA and OF for NA in the INC TYPE field on UNIC.

N Commissions From Terminated Employment

Commissions from a terminated source of employment are countable as unearned income in the month in which they are received.

Key commissions from a terminated source of employment in the INC TYPE field on UNIC as OA for CA and as OF for NA.

Count the unspent portion as a resource in the following month. (See [Lump Sum - LIAS](#))

O Contributions

Contributions may be cash or noncash. Policies and procedures are

outlined as follows:

- [Cash Contributions](#)
- [Noncash Contributions](#)

.01 Cash Contributions

Monies received from an organization, agency, relative or nonparticipant intended to cover items within the [standard of need\(g\)](#) are countable.

Cash contributions received from relatives or nonparticipants are countable. (When monies are paid directly to a vendor, see [Vendor Payments](#) for keying procedures)

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

CA EXCEPTION

[Voluntary Agency reception and placement](#) (VOLAG) financial assistance provided to refugees during the refugee's initial 30-day period in the U.S. are not countable.

An SSI recipient who is receiving [SSI income](#) may voluntarily contribute to a budgetary unit. Count the contribution when all of the following apply:

- The SSI recipient would not otherwise be required to be included in the budgetary unit
- The SSI recipient's income cannot otherwise be considered available to the budgetary unit
- The contribution must be for other than the SSI recipient's share of the expenses.

For jointly owned accounts, see [Joint Accounts](#).

Key the OA Unearned Income Code in the INC TYPE field on UNIC.

NA EXCEPTION

A cash contribution received from a charitable nonprofit organization that does not exceed \$300 in a calendar quarter is not countable.

A cash contribution received from a charitable nonprofit organization that exceeds \$300 in a calendar quarter is countable.

For all other cash contributions see, [cash gifts](#).

For jointly owned accounts, see [Joint Accounts](#).

Key cash contributions received in the INC TYPE field on UNIC as OA for CA.

.02 Noncash Contributions

A noncash contribution, intended for day-to-day living, is not countable and does not affect eligibility or benefit level. Verification of noncash contributions is not required. Noncash Contributions include, but are not limited to, the following:

- Clothing
- Diapers
- Food box
- Food voucher supplied by community a food bank or soup kitchen
- Toiletries

P Diverted Funds

Diverted funds are monies that are diverted by the provider of the payment to a third party.

NOTE Use the Income Code of the source of income.

Q Dividends and Royalties

REVISION

50

(01/01/22 - 12/31/22)

Dividends are generally received by owners of stocks or bonds in a corporation. Dividends represent a share of the distribution of a corporation's profits.

Royalties are often received by one of the following:

- Owners of land, grazing interest, mining or oil lease
- Inventors
- Authors
- Composers

For NA, the following apply:

- Dividend and royalty payments are countable as unearned income.

- Key NA dividend and royalty payments using the IR ND Unearned Income Code on UNIC in the INC TYP field.

For CA, the following apply:

- Dividend and royalty payments left on deposit or converted to additional securities are not countable as unearned income.
- Key the IR PY Unearned Income Code in the INC TYP field on UNIC.
- Dividend and royalty payments made directly to the participant as a share of profit are countable as unearned income.
- Key the IR ND Unearned Income Code in the INC TYP field on UNIC.

R Earned Income Tax Credit (EITC)

Earned Income Tax Credit (EITC) received as a monthly advance with the participant's regular [wages](#) is not countable. (For lump sum payments, see [EITC - LIAS](#))

Key the TR Unearned Income Code in the INC TYPE field on UNIC.

S Foster Care Payments

REVISION

50

(01/01/22 - 12/31/22)

Foster Care Payments are made by an authorized federal, state, or local government foster care agency. These payments are made to licensed and unlicensed custodial caretakers of a foster care child up to the child's 18th birthday.

Foster care participants are not eligible for CA when the foster care payment is intended to cover the foster care participant's [basic needs\(g\)](#), and any of the following applies:

- The foster care participant is placed with a licensed custodial caretaker and resides in a foster home or group home.

NOTE When the Foster care participant is placed with an unlicensed custodial caretaker, the unlicensed custodial caretaker may be eligible for CA.

- The foster care participant is 18 years old and voluntarily remains in foster care by enrolling in the Voluntary Foster Care for Young Adults Program.

NOTE When a foster care participant turns 18 and is not enrolled in the Voluntary Foster Care for Young Adults Program, any foster care payment received is countable. Key the OA Unearned Income Code in the INC TYPE field on UNIC.

- The foster care participant, between 17 and 21 years old, is receiving an Independent Living Subsidy. The subsidy is intended to assist the youth through the transition into adulthood.

NOTE Caretakers of foster care participants may be eligible for CA in an [Adult Only CA Case](#).

For NA, the caretaker has the option to include the foster care participant in the NA budgetary unit. When the foster care participant is included, the foster care payment is countable. (See [Foster Care Participant-NA](#))

Key the FC Unearned Income Code in the INC TYPE field on UNIC next to the child for whom the payment is intended.

When the receipt of Foster Care Payments are received and expected to continue, budget the income as follows:

- When the daily rate does not vary, multiply the daily rate by 365 days and divide by 12 to determine the monthly amount. Key the MO Income Frequency Code on UNIC using the FC Unearned Income type code.
- When the daily rate varies, review all income received in the past 30 calendar days, and calculate a daily average amount. Multiply the daily average amount by 365 days and divide by 12 to determine the monthly amount. Key the MO Income Frequency Code on UNIC using the FC Unearned Income type code.

When the Foster Care Payments received from the past 30 calendar days or longer do not represent the participant's ongoing income, see [Projecting Income](#).

When unable to obtain proof from the sources listed in [UNIN verification](#) to verify receipt of State of Arizona Department of Child Safety (DCS) Foster Care payments, send a request via email to the [DCS Verification Contact](#).

T Gift Cards

[REVISION 05](#)
(07/01/08 - 09/30/08)

Funds made available on gift cards are not countable as unearned income.

Key the following on UNIN:

- The OX Unearned Income Code in the TY field
- The stated value in the value field

(See [Gift Cards – LIAS](#) for treatment as a resource)

U Grandparent Kinship Support Service Payment/Stipend

[REVISION 36](#)
(06/01/15 - 07/31/15)

The Grandparent Kinship Care Support Service Payment/Stipend program provides a monthly payment of \$75 for clothing and other personal items to grandparents raising their own grandchildren:

CA EXCEPTION

Monthly payments for clothing and other personal items are not countable.

Key the countable monthly payment next to the grandchild for whom the payment is intended.

Key the Grandparent Kinship payments in the INC TYPE field on UNIC as OF for NA.

V Guardian Subsidy Payments

[REVISION 47](#)
(01/01/19 - 12/31/19)

The Arizona Department of Child Safety (DCS) Guardianship Subsidy Program provides a subsidy payment for children who are placed in the care of a [Legal Permanent Guardian](#) (LPG). Consider the subsidy payment as income of the child. Treat the subsidy payment as follows:

- For CA, guardian subsidy payments are not countable as income.
Key the GS FO Unearned Income Code in the INC TYP field on UNIC next to the child for whom the payment is intended.
- For NA, guardian subsidy payments are not countable as income when the child is not included in the NA budgetary unit. When the child is not included in the budgetary unit, consider the child a [Boarder](#).
When the child is included in the NA budgetary unit of the LPG, the subsidy payment is countable as income.
Key the GS FI Unearned Income Code in the INC TYP field on UNIC next to the child for whom the payment is intended. (See [Budgeting Guardian Subsidy Payments](#)).

When unable to obtain proof from the sources listed in UNIN verification to verify receipt of State of Arizona Department of Child Safety (DCS) Guardian Subsidy payments, send a request via e mail to the [DCS Verification Contact](#).

.01 Budgeting Guardian Subsidy Payments

REVISION 48

(01/01/20 - 12/31/20)

[Guardian subsidy payments](#) are considered income of the child for whom the payments are intended.

When the Guardian subsidy payments are calculated daily, the check amounts fluctuate monthly based on the number of days in each month. When the receipt of guardian subsidy payments is normal and expected to continue, budget the income as follows:

- When the daily rate is the same, multiply the rate by 365 days and divide by 12 to determine the monthly amount. Key the MO Income Frequency Code on UNIC.
- When the daily rate varies, budget all income received in the past 30 calendar days or longer. Key the appropriate Income Frequency Code on UNIC.

When the Guardian subsidy payments received from the last 30 calendar days or longer does not represent the participant's ongoing income, see [Projecting Income](#).

Key the guardian subsidy payments next to the child for whom they are intended on UNIN. See [guardian subsidy payments](#) for the correct code for each program.

W American Indian Claims or Funds Overview

REVISION 47

(01/01/19 – 12/31/19)

The following income from Indian Claims is specifically excluded by federal statute from consideration as income for determining eligibility:

- [Alaska Native Claims Settlement Act](#) (Public Law 92-203, Section 21(a))
- [Apache Mescalero Reservation](#) (Public Law 95-433)
- [Colorado River](#) (Public Law 97-458)
- [Confederated Tribes](#) (Public Law 95-433)
- [Fox Indians](#) (Public Law 92-203)
- [Grand River Band of Ottawa](#) (Public Law 94-540)
- [Hopi Indians - Relocation Assistance](#) (Public Law 93-531)
- [American Indian Claims Commission Judgments](#) (Public Law 97-458 and Public Law 93-134, Section 7)
- [Individual American Indian's Interests in Trust or Restricted Land](#) (Public Law 103-66)
- [Little Colorado River Levee Project](#) (Public Law 91-646)
- [Navajo Indians - Relocation Assistance](#) (Public Law 93-531)
- [Passamaquoddy Tribe and the Penobscot Nation](#) (Public Law 96-420)
- [Relocation Assistance](#) (Public Law 93-531 dated December 22, 1974)
- [Sac Indians](#) (Public Law 92-203)
- [Settlement for Land](#) (Public Law 100-580)
- [Tohono O'odham](#) (Public Law 97-408)
- [Trust Fund Distribution](#) (Public Law 98-64)

- [Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970](#) (Public Law 91-646)
- [Yakima Indian Nation](#) (Public Law 95-433)

When income is received from Tribal funds, and is not excluded by federal statute, see [Indian Tribe Funds](#).

.01 Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970

Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 are not countable. This includes the Little Colorado River Levee Project income and applies to both homeowners and renters. (Public Law 91-646, Section 216)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.02 Alaska Native Claims Settlement Act

Alaska Native Claims Settlement Act payments received under the Sac and Fox Indian claims agreement are not countable. (Public Law 92-203, Section 21(a) and Public Law 94-189)

Payments may be received in any of the following forms:

- Stock
- A partnership interest
- Land or an interest in land
- An interest in a settlement trust

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.03 Indian Tribe Funds

REVISION 47

(01/01/19 – 12/31/19)

Indian tribe funds are monies generated by businesses and enterprises owned by a Tribe.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

See [Claims Judgment Funds](#) for policy and procedures regarding per capita payments from funds awarded by the Indian Claims Commission.

See [Indian Gaming Industry Per Capita Disbursements](#) for policy and procedures regarding per capita payments from Indian Gaming Industry income.

.04 Relocation Assistance

Payments received for relocation assistance to Hopis and Navajos living in the former Joint Use Areas are not countable. (Public Law 95-531 dated December 22, 1974)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.05 Grand River Band of Ottawa Indians Funds

Payments received from the disposition of funds to the Grand River Band of Ottawa Indians are not countable. (Public Law 94-540)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.06 Submarginal Land Held in Trust

Payments received by certain Indian tribal members regarding submarginal land held in trust by the United States are not countable. (Public Law 94-114, Section 5 and 6)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.07 Yakima Indian Nation Claims

Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation are not countable. (Public Law 95-433)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.08 Maine Indian Claims Settlement Act of 1980

Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 are not countable. (Public Law 96-420, Section 5)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.09 Tohono O'odham Payments

Per capita payments to the Tohono O'odham Indians from funds awarded by the Indian Claims Commission are not countable. (Public Law 97-408)

These include payments received by Tohono O'odham Indians on the official tribal rolls living on or off the reservation.

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.10 Claims Judgment Funds

[Per capita payments](#) from funds awarded by the Indian Claims Commission are not countable up to a maximum of \$2,000 per payment per participant. (Public Law 97-458 and Public Law 93-134, Section 7) (For treatment as a resource, see [American Indian claims resource](#))

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

The income that exceeds \$2,000 per payment per participant is countable.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

EXCEPTION

Claims Judgement Funds that exceed \$2,000 per payment per participant are not countable as income for [Hopi Tribal TANF](#).

Key the OF Unearned Income Code in the INC TYPE field on UNIC.

.11 Trust Fund Distribution Payments

[REVISION 16](#)

(04/01/11 – 06/30/11)

[Per capita payments](#) from the following funds are not countable, up to a maximum of \$2,000 per payment per participant: (Public Law 98-64)

- Funds held in trust by the Secretary of Interior for an Indian tribe
- Funds awarded by the Indian Claims Commission of the U.S. Court of Federal Claims

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

The income that exceeds \$2,000 per payment per participant is countable.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

EXCEPTION

[Indian Gaming Industry per capita disbursements](#) are countable in the month received.

.12 Land Settlement Payments

Payments made to members of Indian tribes in settlement for land are not countable, up to a maximum of \$2,000 per payment per participant. Treat payments in excess of \$2,000 as a resource in the month received and in subsequent months. (Public Law 100-580)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

.13 Restricted Land Interest Payments

Individual Indian's interests in trust or restricted lands and payments from these interests of up to \$2,000 per calendar year are not countable. Interests include the Indian's right to or legal share of the trust or restricted land and any income accrued. (Public Law 103-66)

Key the ID Unearned Income Code in the INC TYPE field on UNIC.

The income that exceeds \$2,000 per calendar year is countable.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

.14 Indian Gaming Industry Per Capita Income

REVISION 47

(01/01/19 – 12/31/19)

Indian Gaming Industry per capita income is a disbursement of a Tribe's gaming revenue to an individual tribal member. The disbursement is considered unearned income and is countable.

When budgeting Indian Gaming Industry per capita income, discuss with the participant how often the income is received. Clarify with the participant or the Tribe, when necessary, whether the income is ongoing.

This includes reviewing how often the income was received in the past. (See Example [Indian Gaming Industry Per Capita Income](#))

When the income is expected to continue for the approval period, prorate Indian Gaming Industry per capita income over the specified period of time it is intended to cover.

Key the IG OT Unearned Income Code in the INC TYPE field on UNIN.

Indian Gaming Industry per capita funds placed in an inaccessible trust by the tribe for either of the following are not countable:

- Dependent child under the age of 18
- Incapacitated adult with a guardian or conservator (See [Trust Funds](#) for additional policy.)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

Indian Gaming Industry per capita income is not countable towards the [Salt River Tribal TANF](#) budgetary unit. When Salt River Tribal TANF is attached to the case, key the OF Unearned Income Code in the INC TYPE field on UNIC.

X Individual Development Accounts - Overview

Individual Development Accounts policies and procedures are outlined as follows:

- [Deposits](#)
- [Withdrawals](#)

.01 Individual Development Account (IDA) - Deposits

REVISION 04

(04/01/08 – 06/30/08)

Any unearned income deposited into an Individual Development Account (IDA) is not countable.

Key the IX Unearned Income Code in the INC TYPE field on UNIC.

For additional policy on treatment of IDA Deposits see, the following:

- [IDA - Earned Income \(EAIN\)](#)
- [IDA - Financial Accounts \(FIAC\)](#)
- [IDA - Self-Employment \(SEEI\)](#)

- [IDA - Unearned Income \(UNIE\)](#)

.02 Individual Development Account (IDA) - Withdrawals

Treatment of withdrawals from an [Individual Development Account](#) (IDA) varies depending on the source of the deposit and the purpose of the withdrawal. The following apply:

- Money withdrawn in an approved manner and for an approved purpose is not countable. (See [IDA](#) - FIAC)
- Money withdrawn for the following purposes is not countable:
 - Education
 - First home purchase
 - Training
 - Business capitalization

Money withdrawn for any purpose other than previously listed is countable in the month withdrawn. Key only the countable portion of the withdrawal.

This includes interest paid directly to the budgetary unit. (See [IDA](#) - FIAC)

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

NOTE An overpayment exists when withdrawals are made for purposes other than previously listed. (See [IDA](#) - FIAC)

EXCEPTION

Money that was previously counted as earned income to the budgetary unit is not countable when withdrawn.

When withdrawals are made from an IDA into which both earned and unearned income has been deposited, only 50% of the withdrawal is not countable.

When withdrawals are made from an IDA into which only unearned income has been deposited, the entire amount withdrawn is countable.

Y Inheritance

Treat cash inheritance as a [lump sum](#).

Treat inherited items as resources available in the month received. Refer to the specific resource policy for the type of resource received.

Z Insurance Payments

Insurance payments received by the participant are countable as income when any of the following apply:

- The payment is made payable to the participant and is used for a purpose other than to replace or repair insured items.

Key the IN NR Unearned Income Code in the INC TYP field on UNIC.

- The payments are received monthly, bi-weekly, or weekly and are used for a purpose other than to replace or repair insured items.

Key the IN BN Unearned Income Code in the INC TYP field on UNIC.

- The payments are used for or intended to meet [basic needs\(g\)](#).

Key the IN BN Unearned Income Code in the INC TYP field on UNIC.

NOTE When Short-Term and Long-Term Disability payments are paid by the employer see [Leave Pay](#).

WARNING

Insurance payments are not countable as income when the payment is intended to repay a specific bill or debt and is not used for other needs.

Key the IN RR Unearned Income Code in the INC TYP field on UNIC.

Treat an insurance payment that is received as a lump sum as a resource. (See [LUMP Sum](#) - LIAS)

Insurance payments include, but are not limited to, the following insurance types:

- Accident Insurance
- Critical Illness Insurance
- Earthquake Insurance
- Flood Insurance
- Long-term Disability
- Short-term Disability

- Wage Insurance

EXCEPTION

See specific policies for the following insurance payments:

- [Disaster Relief](#)
- [Legal Settlements](#)
- Life Insurance (See [Inheritance](#))
- [Unemployment Insurance](#)
- [Worker's Compensation](#)

AA Interest Payments

REVISION 51

(01/01/23 - 12/31/23)

Interest payments are money earned on any of the following:

- Capital investments such as loans, stocks, bonds
- Checking or savings accounts
- [Cryptocurrency\(g\)](#) accounts.

Interest payments are considered unearned income and are required to be verified. The income is treated differently based on how the income is received for NA and CA as follows:

- For NA, interest payments are countable as unearned income regardless of how the payments are received.
- For CA, the following apply:

Interest payments left on deposit or converted to additional securities are not countable as unearned income.

Interest payments made directly to the participant as a share of profit are countable as unearned income.

The interest payment is keyed in the INC TYP field on UNIN using one of the following Unearned Income Codes:

- For NA-only cases, the IR ND Unearned Income Code
- For CA-only cases, key one of the following:
IR PY when the interest payment is countable.
IR ND when the interest payment is not countable
- For NA and CA combination cases, key one of the following:
IR ND when the interest payment is countable for NA and not countable for CA
IR PY when the interest payment is countable for both NA and CA

Prorate interest payments over the period it is intended to cover. (See Example [Budgeting Interest Income](#))

BB Lease or Royalty of Indian Land

REVISION 46

(01/01/18 - 12/31/18)

A participant may own or be allotted part of reservation land. The participant may lease the land to others depending on the agreement with the tribe or stipulation on the land.

Income from the lease or royalty of Indian land is countable as unearned income.

EXCEPTION

Certain income from the lease of Indian land is specifically excluded by federal law. These funds are not countable. (See [Indian Claims-Public Law](#))

Treat land lease funds deposited in a **BIA** account prior to the month of application as a resource. Treat all deposits of land lease income posted during the application month or following month as unearned income.

The following apply to budgeting Indian land lease income:

- For NA, the first \$2,000 per participant each calendar year is not countable.

Key the LL AP Unearned Income Code in the INC TYP field on UNIC.

- When the income is received monthly, the income that exceeds \$2,000 per participant each calendar year is countable as income in the month received. Key the LL BO Unearned Income Code in the INC TYP field on UNIC. (See example [Monthly Indian Land Lease Income](#))

- When normal and expected to continue, use the income received from the previous calendar year to [annualize income](#) received less frequently than monthly. The first \$2,000 of annual income per participant is countable for CA.

Key the LL AP Unearned Income Code in the INC TYP field on UNIC.

The income that exceeds \$2,000 per participant each calendar year is countable for CA and NA.

Key the LL BO Unearned Income Code in the INC TYP field on UNIC. (See example [Quarterly Indian Land Lease Income](#))

- When changes to income keying are needed due to a new calendar year during the current approval period, set an ACTS alert for the month prior to the month the income change is expected.

CC Leave Pay From Terminated Employment

REVISION 51

(01/01/23 - 12/31/23)

For CA, leave pay received as an installment or lump sum, after the participant has [terminated employment](#), is countable as earned income. Key the leave pay on EAIN using the LT Earned Income Code.

NOTE Count the lump sum payment as income in the month it is received.

For NA, leave pay received as **one** of the following, after the participant has terminated employment, is countable as unearned income:

- In installments
Key the LE FS Unearned Income Code in the INC TYP field on UNIC.
- A lump sum payment (See [Lump Sum Liquid Assets](#))
Key the LS Lump Sum Code in the TYP field on LIAS.

DD Legal Settlements

REVISION

46

(01/01/18 - 12/31/18)

Legal Settlements are countable as a resource.

Key the LS Resource Code in the INC TYPE field on LIAS.

CA EXCEPTION

Legal Settlements received in payments, less any attorney fees, are countable as income in the month received.

Key the OA Unearned Income Code in the INC TYPE field on UNIC.

NA EXCEPTION

Any portion of the settlement that is designated to pay for the budgetary unit's expenses should be treated as a [reimbursement](#).

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

NOTE This does not include any expense that is considered a normal living expense as defined in [Standard of Basic Needs\(g\)](#).

Legal settlement payments made by any of the following are exceptions to this policy and have their own specific policies that must be followed:

- [Agent Orange](#)
- [Hemophilia Relief Fund Settlement](#)

- [Nazi Persecution](#)
- [Phen-Fen](#)
- [Radiation Exposure Compensation Act](#)
- [Spina Bifida and Covered Birth Defect](#)
- [USA Patriot Act of 2001](#)
- [Uniform Services Former Spouse Protection Act](#)
- [Victims of Crime Act \(VCA\) Benefits](#)
- [Wartime Relocation of Civilians Law](#)

.01 Agent Orange Payments

Payments from any fund established in connection with settling liability claims concerning Agent Orange death or disabilities are not countable. (Public Law 101-102)

Key the AO Unearned Income Code in the INC TYPE field on UNIC.

NOTE Agent Orange payments to survivors of deceased veterans are considered a resource. (See [Lump Sum - LIAS](#))

.02 Hemophilia Relief Fund Settlement Payments

Payments made to hemophiliacs infected with HIV, as a result of class action lawsuits are not countable as income in the month received. Payment sources include, but are not limited to, the following:

- Susan Walker v Bayer Corporation.
- Ricky Ray Hemophilia Relief Fund.
- Any fund established by manufacturers of blood plasma.
- A follow-up to a release of all claims in a case entered into in lieu of class settlement. The release must be signed on or before the later of 12/31/97 or 270 days after the release is first sent to the participant to whom payment is made.

WARNING

Payments may be placed in an interest bearing account, or another investment that produces income. When this occurs, the [interest](#) income received on the account may be countable as income.

Key the OX Unearned Income Code the INC TYPE field on UNIC.

(See [Hemophilia Relief Fund - LIAS](#) for treatment as a resource)

.03 Nazi Persecution Payments

Payments received by victims of Nazi persecution are not countable. This includes German reparation payments. (Public Law 103-286)

Key the OX Unearned Income Code the INC TYPE field on UNIC.

.04 Phen-Fen Payments

REVISION 11

(01/01/10 - 03/31/10)

Payments made as a result of Phen-Fen class action lawsuits to participants with medical conditions are not countable not countable. Count only ongoing payments intended for the current month as unearned income.

NA EXCEPTION

Phen-Fen class action lawsuit payments are countable.

Key the PF Unearned Income Code in the INC TYPE field on UNIC.

.05 Radiation Exposure Compensation Act Payments

Payments received under the Radiation Exposure Compensation Act are not countable. (Public Law 101-426) (For treatment as a resource, see [Radiation Compensation - LIAS](#))

The purpose of the act is to compensate for injuries or deaths resulting from exposure to radiation due to either of the following:

- Nuclear testing
- Uranium mining

Key the RC Unearned Income Code in the INC TYPE field on UNIC.

.06 Spina Bifida and Covered Birth Defect Payments

REVISION 47

(01/01/19 - 12/31/19)

Spina Bifida and Covered Birth Defect payments are not countable. (Public Law 104-204 and Public Law 106-419)

Spina Bifida and Covered Birth Defect payments are [Veterans Administration \(VA\) benefits](#) paid to a natural child of a veteran when both of the following occur:

- The veteran served active duty in the Republic of Vietnam.

- The child was born with a [covered birth defect\(g\)](#) (Including Spina Bifida).

Key the VA SB Unearned Income Code in the INC TYPE field on UNIC.

.07 USA Patriot Act of 2001 Payments

USA Patriot Act of 2001 payments are not countable. (Public Law 107-56)

These payments are compensation for a victim of an act of terrorism or mass violence inside or outside the U.S.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

(For treatment as a resource see, [USA Patriot Act - LIAS](#))

.08 Uniform Services Former Spouse Protection Act

The Uniform Services Former Spouse Protection Act (USFPA) payments are countable and considered income of the participant court ordered to receive the payment. (Public Law 97-252)

The USFPA outlines that up to 50% of a participant's former spouse's military retirement or pension funds may be diverted by court order for alimony, child support or property settlement.

Key the Uniform Services Former Spouse Protection Act payments in the INC TYPE field on UNIC as OT.

When the participant is the former spouse and military retirement, or pension funds are diverted by court order for the following:

- For Child Support – see [Child Support Expense](#)
- For Alimony – not an allowable expense
- For Property Settlement – not an allowable expense

.09 Victims of Crime Act (VCA) Benefits

Victims of Crime Act (VCA) benefit payments received by a participant are not countable. VCA payments are considered compensation for a victim of crime. (Public Law 103-322)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.10 Wartime Relocation of Civilians Law

Payments to U.S. citizens of Japanese ancestry, and resident Japanese noncitizens under the Wartime Relocation of Civilians law, are not countable. This includes certain Aleutian and Pribilof Islanders from the following villages:

- Akutan
- Atka
- Attu
- Nikolski
- Saint George
- Saint Paul
- Unalaska

(Public Law 100-383, Section 206, effective 08/01/88)

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

.11 Filipino Veterans Equity Compensation Fund

REVISION 11

(01/01/10 – 03/31/10)

Created by the American Recovery and Reinvestment Act of 2009, the Filipino Veterans Equity Fund is for Philippine military veterans who served during World War II and their spouses. Eligible individuals receive a onetime payment of up to \$15,000.

Payments received from the Filipino Veterans Equity Compensation Fund are not countable.

Key the OX Unearned Income Type Code in the INC TYPE field on UNIC.

EE Loans - Unearned Income

Loans from private individuals and commercial institutions are not countable. Loans are not required to be legally binding agreements. (See [Loan Verification](#) for verification requirements)

NOTE For educational loans, see [Educational Income](#).

For [restricted loans\(g\)](#), key the LO RU Unearned Income Code in the INC TYP field on UNIC.

For [unrestricted loans\(g\)](#), key the LO UN Unearned Income Code in the INC TYP field on UNIC.

Treat loan payments received by the budgetary unit to pay off a previous loan provided by the budgetary unit as a resource in the month received. (See [Loan - LIAS](#))

NOTE For treatment of interest payments received on loans, see [Interest Payments](#).

.01 Loan Verification

REVISION 29

(04/01/14 - 05/31/14)

Verify loans with the lender. Verification must contain all of the following:

- The name of the recipient of the loan
- A statement that the amount advanced is a loan
- The amount of the loan
- The date of the loan
- The date repayment is expected by the lender

NOTE A specific date is not required.

- Name and phone number of the lender

When the lender fails or refuses to provide verification, follow the [verification process](#).

FF Lump Sum Payments

REVISION 40

(02/01/16 - 03/31/16)

[Lump sum](#) payments are not countable as income. Count lump sum payments as a resource.

EXCEPTION

When a payment is received that combines the lump sum payment with the normal ongoing payment, key the portion of the normal ongoing payment using the appropriate income code of that source of [income](#). See [Example Lump Sum](#)

Lump sum payments include back payments for initial months or

restored benefits. This includes, but is not limited to, the following:

- [Assistance Payments](#)
- Child Support

NOTE Payments that are recurring are considered arrearages. (See [Budgeting Child, Medical, and Spousal Support](#))

- [Social Security Administration](#)
- [Veterans Administration \(VA\) benefits](#)
- [Unemployment Insurance \(UI\) benefits](#)
- [Railroad Retirement \(RR\) benefits](#)
- [Indian Gaming Industry Per Capita Disbursements](#)
- [Profit Sharing Dividends](#)

GG Mathematica TANF Survey Incentive Payments

Mathematica is a consulting firm that offers CA participants incentive pay for participating in a survey to collect statistical information regarding TANF. Participants can receive a maximum of two \$20 payments, approximately one year apart. TANF Survey Incentive Payments are not countable.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

(For treatment as a resource, see [Mathematica - LIAS](#))

HH Medical Loss Ratio Rebates

Medical Loss Ratio (MLR) rebates are refunded premiums paid to consumers. Treat [Medical Loss Ratio \(MLR\) rebates\(g\)](#) as a [lump sum](#).

EXCEPTION

When the MLR rebate is in the form of a reduction from premiums, or in a manner that is not in the form of a payment to the participant, treat it as a [vendor payment](#).

II Military Income

REVISION 44

(10/01/16 - 11/30/16)

Income received for serving in the military while stationed outside of Arizona is not countable as unearned income.

The income of the military member when stationed outside of AZ that is available to the budgetary unit is not countable as earned income.

CA EXCEPTION

When the military member stationed outside AZ is the parent and only away from home due to active military duty, the military income is countable as earned income.

Income received for serving in the military while stationed in Arizona is considered earned income. (See [Military Income](#))

(See [Budgeting Out of State Military Income](#))

JJ Mortgages and Sales Contracts

An interest payment may be received for a mortgage or sales contract. The interest payment is countable.

Key the MS MI Unearned Income Code in the INC TYP field on UNIC.

Count the payment amount that is applied to the principal as a resource. (See [Sales Contracts or Notes - OTAS](#))

KK Public Housing FSS Escrow Account

Funds received from a Public Housing FSS escrow account prior to completion of the FSS program are not countable.

The Family Self Sufficiency (FSS) program promotes employment and increased savings for public housing residents to end dependence on public assistance.

When an FSS participant's rent is increased due to earned income, the Public Housing Authority opens an escrow account for the participant. The Public Housing Authority deposits the amount of the rent increase into the account each month upon receipt of the participant's rent payment.

FSS escrow account funds are disbursed to the participant at the following times:

- Prior to completion of the FSS program, for purposes related to the goal of the FSS contract, such as any of the following:
 - Home ownership
 - Higher education
 - Job training
 - Start-up expenses involved in self-employment
- Upon successful completion of the FSS program.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

For treatment of funds received from a Public Housing FSS escrow account after completion of the FSS program, see [Lump Sum](#).

(See Public Housing [FSS Escrow Account - LIAS](#) for treatment as a resource)

LL Railroad Retirement Board (RRB)

REVISION

49

(01/01/21 - 12/31/21)

Payments issued to a participant from the Railroad Retirement Board (RRB) are countable.

For Railroad Retirement - Disability payments, key the RR DS Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement - Early retirement payments, key the RR ER Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement - Other payments, key the RR OT Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement - Regular retirement payments, key the RR RE Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement - Survivor payments, key the RR SU Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement - Widows payments, key the RR WI Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement – Unemployment Insurance, key the RR UI

Unearned Income Code in the INC TYP field on UNIC.

For Railroad Retirement – Sickness Insurance, key the RR SI Unearned Income Code in the INC TYP field on UNIC.

MM Reimbursements

REVISION

46

(01/01/18 - 12/31/18)

Reimbursements for past or future expenses are not countable. Reimbursements include, but are not limited to, the following:

- Adoption subsidy reimbursements
- Dependent care payments made by the Child Care Administration (CCA) to the provider. This includes the following:
 - At-Risk Child Care (Public Law 101-508)
 - Child Care
 - Child Day Care Subsidy
 - Development Block Grant Payment (Public Law 102-586)
 - [Jobs Basic](#)
 - [TPEP](#)
 - [Transitional Child Care \(TCC\)](#)
 - Tribal NEW Child Care
- Incentives or allowances for job or [Training Related Expenses](#) (TRE), including [TWEPE](#), and [Jobs](#).
- Out of pocket expenses of volunteers incurred in the course of their volunteer activities.
- Medical expenses paid by an insurance company or government program.
- Payment for job or training related travel expenses.
- Payment for meals away from home when the reimbursement is not for normal living expenses.
- Payment for uniforms and equipment required for work and their maintenance cost.
- Title XX of the Social Security Act – payment received by the budgetary unit to pay for services provided.
- Trade Adjustment Assistance payments made by the

Unemployment Division for traveling away from home to attend training and accept or seek employment.

- Payment for deductions used to keep track of job expense.

NOTE A job expense reimbursement may be identified when a paystub includes a pay amount and a deduction for the same amount.

- Stipends received from the Foster Grandparent Program for past and future expenses related to Foster Grandparent Program activities. (See [Foster Grandparent Program Stipend](#))

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

Reimbursements that exceed the actual incurred expense, as indicated by the participant, are countable [unearned income](#). Key the income on UNIC using the appropriate Income Code.

NN Rental Property Income

REVISION 48

(01/01/20 – 12/31/20)

Rental income received by the participant homeowner is countable as unearned income when the CA participant does not manage the property, or the NA participant manages the property less than 20 hours per week.

For NA, complete the following:

- Key the RE Unearned Income Code in the INC TYP field and key FS in the Sub Type code in the SUB TYP field on UNIN (RE FS).

- When there is verification that at least one [allowable business expense](#) exists, manually deduct 40% from the gross rental property income and key the net on UNIN. (See [Rental Unearned Income Example](#)).

For CA, key the RE Unearned Income Code in the INC TYP field and key AF in the Sub Type code in the SUB TYP field on UNIN (RE AF).

See [Self-Employment Rental Income](#) when the CA participant manages the property, or the NA participant manages the property for 20 hours or more per week.

OO Shelter Cost Sharing

REVISION 04

(04/01/08 – 06/30/08)

Money for shelter costs exchanged between participants, or participants and nonparticipants, residing in the same dwelling are not countable. When the participant owns the home, see the exception box below to determine how to treat any income received.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

EXCEPTION

When two or more budgetary units share rental expenses, the amount of money paid directly to the participant that exceeds the participant's actual expense is countable. (See Example [Rent Sharing 1](#))

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

NOTE Monies that have been counted as income to the budgetary unit in a given month are not countable again in the same month. (See Example [Rent Sharing 2](#))

When a nonparticipant is renting from a participant homeowner, the rent paid to the participant homeowner is countable. Count the money as either unearned income or self-employment to the participant homeowner. (See [Rental Property Income](#) and Example [Rent Sharing 3](#))

For policy regarding NA budgeting of shared shelter expenses, see [NA Shared Expenses](#).

For policy regarding budgeting rental income for NA, see [Self-Employment Rental Income](#) and [Rental Property Unearned Income](#).

PP Retirement and Pension Benefits

REVISION 46

(01/01/18 - 12/31/18)

Retirement benefit payments received after retirement from [retirement accounts\(g\)](#), plans, or funds are countable as unearned income.

Key the RP Unearned Income Code in the INC TYP field on UNIC.

(For treatment as a resource, see [Retirement Accounts](#) - FIAC)

QQ S Corporation Profits

Profits from shares in an [S Corporation\(g\)](#) are countable as unearned income.

Key S Corporation profits on **UNC** using the OT Unearned Income Code.

Any other income received from an S Corporation is countable and considered earned income. (See [Wages and Salaries](#))

RR School Clothing Allowance

Payments made for school clothing allowance are countable.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

(Also see [BIA Clothing Allowance](#))

NA EXCEPTION

Payments made for school clothing allowance are not countable for NA when either of the following occurs:

- Paid annually or less frequently
- Paid in the form of a voucher

Key the school clothing payments in the INC TYPE field on UNIC as OA for CA.

SS Senior Community Service Employment Program

Funds received by participants age 55 and older under the Senior Community Service Employment Program (SCSEP), Title V of the Older Americans Act (OAA), are countable. (Public Law 100-175 and

106-501)

NA EXCEPTION

Funds received under the Senior Community Service Employment Program (SCSEP) are not countable for NA. Key OX income type code on UNIN.

Key SCSEP funds in the INC TYPE field on UNIC as OA for CA.

TT Social Security Administration (SSA) Benefits

REVISION

49

(01/01/21 - 12/31/21)

SSA benefits include the following:

- Retirement
- Survivors
- Disability Insurance (RSDI)

These payments can be received by any of the following:

- Entitled wage earners
- Dependent children of the entitled wage earner

NOTE A child may be receiving SSA benefits as a result of a parent's or stepparent's death, retirement, or disability. Siblings may also be receiving SSA benefits. Inquire further when this information does not display on **ININ**.

- Surviving spouse(g) of an entitled wage earner

SSA benefits are countable for NA and CA.

Count the gross amount of the SSA benefits rounded down to the nearest whole dollar.

NOTE Do not deduct the Medicare Premium from the gross amount of the SSA benefits.

When an organization withholds a fee to act as a representative payee for an SSDI participant, deduct the monthly fee from the gross

income. The amount of the fee is not countable.

When it is determined that an overpayment exists, complete the following to determine whether the overpayment amount should be deducted:

- Discuss with the participant the reason for the overpayment and document the reason in the [case file\(g\)](#).

- Request hard copy or collateral contact verification for the reason of the overpayment only when one of the following occurs:

The reason for the overpayment is [questionable\(g\)](#).

The participant does not know the reason for the overpayment.

- Key the gross amount of the SSA benefit on UNIN when one of the following occurs:

The reason for the overpayment cannot be determined.

The overpayment is not being deducted due to an overpayment from the same [income source\(g\)](#).

The participant does not provide verification for the reason of the overpayment, when requested.

NOTE Do not deny or stop benefits.

- Key the gross income minus the overpayment amount (net income) when the overpayment is being deducted due to an overpayment from the same income source.
- Document the case file to support why the gross or net income was keyed. (See Example [Budgeting Net Income Documentation](#))

When there is a discrepancy in the amount shown in the verification compared to what is stated by the participant, verify the SSA amount through an interface with one of the following:

- HEAplus State Online Query Internet (SOLQI) Response Data Summary

See the [SOLQI Desk Reference Guide](#) located in the FAA Policy Support SharePoint Site Doc Library for guidance (internal use only)

- Wire Third Party Query Information (WTPI)

Count SSA benefits paid to a representative payee on behalf of a

participant when one of the following occurs:

- The payee lives with the budgetary unit
- The payee lives outside the home and makes the income available for the support of the participant (See Example [Representative Payee](#))

NOTE The SSA benefits do not need to be given directly to the budgetary unit by the payee but must be used to provide for the needs of the participant, to be considered countable.

CA WARNING

The participant may receive both [SSI](#) and SSA. Count only the portion of the SSA income that is designated for a spouse or dependent toward the CA budgetary unit.

Key unearned income on UNIC using the Unearned Income Code that applies to the Unearned Income Type. (See [Display Table Values – Overview](#) to access a list of current codes.)

Key the gross amount of the SSA benefits rounded down to the nearest whole dollar unless overpayment recoupment or representative monthly fees deductions are applicable.

NOTE Do not deduct the [Medicare Premium](#) from the gross amount of the SSA benefits.

.01 Social Security Administration Disability Payments

For SSA - Disability benefits, key the SS DS Unearned Income Code in the INC TYP field on UNIC.

.02 Social Security Administration Other Benefits

[REVISION 45](#)

(01/01/17 - 12/31/17)

SSA – Other benefits include but are not limited to the following:

- Early retirement benefits
- Regular retirement benefits
- Survivors and dependent benefits
- Widows benefits

For SSA - Other benefits, key the SS OT Unearned Income Code in

the INC TYP field on UNIC.

.03 Black Lung Benefits

Black Lung benefits are paid by the Social Security Administration and are not countable. Count Black Lung payments when received by the participant.

Key the SS Unearned Income Code in the INC TYPE field on UNIC.

.04 Plan For Achieving Self Support (PASS)

Payments made directly to a participant to fund an account for the fulfillment of a Plan for Achieving Self Support (PASS) are countable. These payments are made under Title XVI of the Social Security Act. (Public Law 102-265)

NOTE PASS accounts must be in writing and approved by SSA. The plan must show the amount of money set aside and show how the money is kept identifiable from other funds.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

UU Strike Pay

Payments received by the participant as strike pay are countable in the month received. (See [Striker Overview](#))

Key the ST SU Unearned Income Code in the INC TYP field on UNIC.

VV Summer Component Program (SCP)

REVISION 10

(10/01/09 – 12/31/09)

Income received from SCP participation is not countable. The SCP provides youth with opportunities for career exploration, skill development, and work readiness. Participation in the SCP is for persons age 14 through 24 years of age who are unemployed, disabled, or school dropouts with no high school or equivalent diploma.

SCP income includes the following:

- Allowances
- Earnings

- Reimbursements

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

WW Supplemental Unemployment Benefits

Supplemental unemployment benefits paid by an employer are countable. These benefits are in addition to the Unemployment Insurance (UI) benefits that the participant may be receiving.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

XX Federal and State Tax Refunds – Child Tax Credit – Unearned Income

REVISION 49

(01/01/21 –12/31/21)

Federal and State Tax refunds are not countable as income in the month of receipt.

Key TR on the UNEARNED INCOME (UNIN) screen in AZTECS.

Child Tax Credits whether received monthly as an advance payment or as a one-time lump-sum payment are not countable as income.

Key TR on the UNIN screen in AZTECS.

(For treatment as a resource, see [Tax Refunds – Liquid Assets](#))

YY Third Party Beneficiary Payments

Third party beneficiary payments may be received by a participant and used for the care and maintenance of an individual not included in the budgetary unit. These payments are not countable. (See Example [Third Party Beneficiary](#))

Key the OX Unearned Income Code in the INC TYPE field on UNIC:

When a payment is received and intended for both the participant and an individual who does not live with the participant, the following apply:

- Count the income retained by the participant as unearned income.
- When the individual's portion cannot be identified, divide the income among the intended beneficiaries.
- Count the participant's amount as unearned income.

Key the OT Unearned Income Code in the INC TYPE field on UNIC:

- When the payment is not intended for the participant, count the amount retained that is not used to care for the intended beneficiary. Count the income as unearned income in the month of receipt. (See [Child Support](#) for a child not in the home)

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

ZZ Trade Readjustment Allowance (TRA)

TRA payments are countable.

TRA payments are made to a participant formerly employed in the industries. The participant is potentially eligible for TRA after all other [Unemployment Insurance](#) (UI) benefits are exhausted.

NOTE The amount received is usually equal to the amount of the previous UI income and may be received for a maximum of 52 weeks.

Key the OT Unearned Income Code in the INC TYPE field on UNIC.

AAA Vendor Payments

REVISION 22

(10/01/12 - 12/31/12)

Vendor payments are not countable.

A vendor payment is money that is not paid directly to the budgetary unit, but is paid to a third party for the budgetary unit's expenses.

Key the VP Unearned Income Code in the INC TYPE field on UNIC.

NA EXCEPTION

Vendor payments count when either of the following apply:

- Payments are made instead of child support when either of the following occurs:

The court has ordered payment be made directly to the budgetary unit.

The support is owed to the budgetary unit through a legally binding written agreement. (See [Countable Support - NA](#))

- Payments are made from money earned by the participant and both of the following apply:

The money is garnished or diverted by the provider of the payment.

The money is paid to a third party for expenses of the budgetary unit.

Key the OF Unearned Income Code in the INC field on UNIC.

CA WARNING

Allow the A2 payment standard when vendor payments are made for [shelter expenses](#) for three or more consecutive months.

NA WARNING

When [dependent care](#), [NA medical expenses](#) or [shelter expenses](#) are paid by vendor payment, the following apply:

- Do not allow the portion of the deduction that is paid by a noncountable vendor payment.
- Allow any portion of the expense that exceeds the monthly payment amount paid by the vendor payment. Key the amount using the appropriate Expense Code on EXNS.

When the allowable expense is paid by a third party as a loan that

must be repaid see [Expenses of NA Participants](#).

BBB Weatherization Assistance

A nonrecurring payment made for an emergency repair or replacement of a heating or cooling device is not countable.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

CCC Lottery or Gambling Winnings

REVISION

51

(01/01/23 - 12/31/23)

Winnings from lotteries, or any other form of gambling are countable as unearned income in the month received.

Key the WN Unearned Income Code in the INC TYPE field on UNIC.

When any participant in an NA budgetary unit receives lottery or gambling winnings equal to or more than the Winnings Reporting Amount in a single game, the entire budgetary unit is no longer eligible to receive NA benefits. See [Winnings Reporting](#) for the amount.

NOTE The ineligibility does not apply to CA budgetary units.

When multiple participants shared in the purchase of a ticket, hand, or similar bet, then only the portion of the winnings allocated to the member of the NA budgetary unit is counted toward the NA eligibility determination.

This change in income may be reported in any of the following ways:

- Directly by the NA budgetary unit
- Discovered through system reports
- Reported by a third party

NOTE Lottery winnings information provided by the Arizona Lottery Commission is considered [Verified Upon Receipt\(g\)](#). Additional verification is not required.

When additional verification is required to effect changes, send the Information Needed (F011) notice to verify the receipt of lottery or gambling winning equal to or more than the Winnings Reporting Amount.

Acceptable forms of verifications include, and not limited to **all** of the following:

- Financial records
- A statement signed by the participant

NOTE Both simplified and the Arizona Simplified Nutrition Assistance Program (AZSNAP) budgetary units are required to report lottery or gambling winnings equal to or more than the Winnings Reporting Amount.

When verified, for the initial application, deny the case with the WN denial or closure reason code and send the Lottery Denial/Closure (F208) notice. For open cases, the case is closed allowing for a [notice of adverse action \(NOAA\)](#).

When verification is not provided, stop the benefits allowing for NOAA or the next workday after the information due date and send the appropriate [closure notice](#).

NOTE When FAA received verification of lottery winning after the month of receipt, the income is not keyed for the past month.

The budgetary unit may reapply at any time for NA benefits. When the budgetary unit reapplies, the [categorical eligibility](#) criteria does not apply. The application is processed under the following income and resource standards:

- The budgetary unit's gross monthly income cannot exceed the 130% of the current [Federal Poverty Limit \(FPL\)](#).
- Resources must be verified to determine that the budgetary unit meets the [NA resource limit](#).

When the budgetary unit reapplies, any remaining lottery or gambling winnings are countable as a resource. The budgetary unit must pass the NA resource limit to be considered eligible for NA benefits again.

Key any money remaining as a resource. When the test displays PASS in the FS Resource Determination (FSRD) AZTECS screen, continue to key all applicable AZTECS screens to process the eligibility determination.

When the case fails the resource determination test, review the information to ensure it is correct. Deny the case on FS Eligibility Determination (FSED) AZTECS screen using the WN denial reason code and send the F208 notice.

NOTE NA budgetary units are required to meet the resource limit upon each reapplication after the ineligibility until they are determined eligible again. Every recertification after that would allow for categorical eligibility.

When the composition of that NA budgetary unit changes or any member of the household leaves, the following applies:

- The original budgetary unit no longer exists, and any remaining members are considered as a new budgetary unit when they reapply
- A participant who chooses to reapply, alone or as a member of an existing budgetary unit, is considered separate from the unit that had substantial lottery or gambling winnings

DDD Work Experience Program Payments

Work Experience Program (WEX) payments are funded by the Workforce Innovation and Opportunity Act (WIOA) as follows:

- Tribal WEX payments are funded under Title 166 of the WIOA. The individual Tribes administer this program.
- Migrant seasonal farm worker WEX payments are funded under Title 167 of the WIOA. This program is administered by Portable Practical Educational Preparation (PPEP).

For treatment of WEX payments, see [Workforce Innovation and Opportunity Act \(WIOA\)](#) or [Workforce Innovation and Opportunity Act - EAIN](#).

EEE Workers' Compensation

REVISION 18

(10/01/11 - 12/31/11)

Benefits paid under the Workers' Compensation law are countable.

Do not count the gross payment of Workers' Compensation when attorney fees exist. Subtract the attorney fees from the gross payment to determine the countable unearned income.

Key the IC Unearned Income Code in the INC TYPE field on UNIC.

When verifying receipt of Workers' Compensation, use the following sources in addition to those listed in [UNIN Verification](#):

- Arizona Industrial Commission
- Attorney
- Benefit or Award letter
- Current checks
- Employer
- Insurance company correspondence
- Legal correspondence

FFF Workforce Innovation and Opportunity Act (WIOA)

REVISION 05

(07/01/08 – 09/30/08)

The [Workforce Innovation and Opportunity Act](#) (WIOA) related unearned income is not countable.

Key the WI Unearned Income Code in the INC TYPE field on UNIC.

GGG Educational Savings Accounts Payments

REVISION 07

(01/01/09 – 03/31/09)

Payments received from the following educational savings accounts are not countable. (Public Law 107-16)

- 529 Educational savings account
- 530 Educational savings account

The 529 or 530 educational savings accounts are accounts established for the purpose of meeting qualified higher education expenses.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

(For treatment as a resource see [Educational savings accounts -](#)

[FIAC](#))

HHH Achieving a Better Life Experience (ABLE) Savings Accounts

REVISION

49

(01/01/21 - 12/31/21)

Achieving a Better Life Experience (ABLE) savings accounts contain funds in a plan or contract that meet the requirements in Section 529A of the Internal Revenue Code of 1986. These accounts are established to provide funding for disability related expenses. AZ ABLE is Arizona's ABLE plan, other states may have a different name. Arizona has partnered with the Ohio Treasurer's Office to offer STABLE Accounts to qualified beneficiaries.

The following are ways to identify an ABLE account:

- All ABLE accounts have the word "ABLE" in the title.
- The ABLE National Resource Center website, <http://www.ablenrc.org> has a list of other state ABLE accounts.

Funds deposited into or withdrawn from these accounts are not countable.

Key the OX Unearned Income Code in the INC TYPE field on UNIC.

For treatment as a resource, (See [Savings Accounts](#))

04 Unearned Income Verification - Overview

The PI has the primary responsibility for providing unearned income verification. Offer assistance in obtaining the verification when the participant indicates an inability to provide the needed information.

Verify all gross income of the budgetary unit using the [verification process](#). Verification must be provided prior to approval or renewal of benefits. (See [Verification Sources](#))

A Unearned Income Verification Sources

REVISION 40

(02/01/16 - 03/31/16)

Acceptable sources of verification include, but are not limited to, any of the following:

- Assistance payments records

- [AZTECS INTERFACE INQUIRY MENU \(ININ\)](#) for verification of SSA or **SSI** income
- Benefit award letters from **SSA**, Statement of Earnings **VA**, and other agencies
- Bank records
- Agency or payer providing the income
- Court records or court orders
- **DCSS** documents or print outs
- Divorce or separation papers or contact with the Clerk of the Court
- Current check reflecting gross income (Do not copy federal government checks)
- Federal or state tax forms
- **HOSC** information
- Insurance policies
- Mortgages and Sales Contracts
- Signed statement from the agency or payer providing the income
- [State Data Exchange](#) (SDX) microfiche
- Unemployment Insurance records
- Absent Parent

NOTE Request a statement from the absent parent when there is no other source of verification of [child support](#) or [alimony](#).

EXCEPTION

Use [participant statement verification](#) when the attempt to obtain verification from the absent parent may cause harm or [undue hardship](#) for the participant. Document the [case file\(g\)](#) with the reason the participant statement verification was accepted.

05 Budgeting Child, Medical, and Spousal Support

REVISION
50

(01/01/22 - 12/31/22)

[Child, Spousal and Cash Medical support payments](#) are considered income of the participant to whom support is court ordered to be paid. Key support

payments next to the participant court ordered to receive the support payment. This is usually the custodial parent or person.

Court ordered child support income paid to a person living in the same budgetary unit is not budgeted as income.

NOTE Child support is not countable as income for [Hopi Tribal TANF](#) however, it is countable for NA.

When a portion of child support has been garnished, 50% of that child support that has been garnished from an Indian Gaming per capita disbursement, and passed through to the participant, is not countable towards the Salt River Pima-Maricopa Indian Community TANF budgetary unit.

Only court ordered child support payments are budgeted as child support. When the absent parent gives money to the participant without being ordered by the court, the income is budgeted as a gift. Support income displaying on CHSP is verified as court ordered.

See [Cash Gifts](#) for additional information.

Discuss with the participant the court ordered amount of support and the amount they normally receive. All recurring arrearages received must be budgeted.

NOTE When there are no arrears, fees, or judgments owed and the amount of support income paid is over the court ordered amount, budget the amount that is over as a gift unless the amount over is due to averaging.

The Division of Child Support Services (DCSS) is Arizona's Title IV-D Child Support Enforcement agency. Support income issued through DCSS and displaying on CHSP is based on court ordered support and considered verified.

Review CHSP for support payments issued through DCSS. This support information is automatically sent by DCSS to CHSP in AZTECS after the first month that NA benefits are issued when the absent parent was connected at one time to the AZTECS case.

The following support income is issued through DCSS and displays on CHSP as follows:

- Current Child Support (CS RE or BC RE)
- Current Alimony or Spousal Maintenance Support (SP RE)
- Current Cash Medical Support (CM RE)
- Support Arrearages (CS AR, CS LS, BC AR, BC LS, SP AR, SP LS, CM AR or CM LS)

NOTE AR displaying on CHSP indicates a support arrearage payment that is recurring. LS indicates a Lump Sum payment. A lump sum payment is considered a one-time lump sum and is not expected to continue. Lump sum payments are not countable as income. Lump sum payments are countable as a resource. (See [Lump Sum Payments](#))

A discrepancy may occur between CHSP and the participant's statement or the participant's verification. When this occurs, discuss with the participant the amount that is normal to be received. When the discrepancy cannot be explained or is questionable, elevate the case situation to the Policy Support Team (PST) following the [Request for Policy Clarification or Field Inquiry](#) elevation process.

NOTE DCSS has the authority to attach additional support arrearages. When the discrepancy is due to additional recurring child support arrearages added to the support order by DCSS, it is not necessary to elevate to the PST. Budget the arrearages that are recurring.

CHSP screens can be uploaded to [OnBase](#) or HEAplus only. Per FAA's Data Sharing Agreement (DSA) with DCSS, do not print CHSP screens to give to a participant. (See [Release of Confidential Information](#))

See [Child Support On-line Information](#) for a listing of state websites that provide child support income information on-line.

To budget support income, the following applies:

- Discuss with the participant the amount of support that is court ordered and the amount that is normally received. Ensure the participant explains the amount of support income expected and, when possible, have the participant write a statement. Do not convert support income.
- When CHSP is available and is an accurate reflection of the participant's expected support income, use the income reflected on

CHSP. When the support income displayed on CHSP fluctuates, use the most recent prior three months available and average.

- When it is determined that the prior 30 days is not an accurate reflection of the participant's expected support income, review additional consecutive months of support income history. Establish an accurate reflection of the expected support income and document how the income was determined. (See [Budgeting Support Example 7.](#)) Support income history includes but is not limited to the following:
 - Court records
 - Pay records or histories from the Clerk of the Court in Arizona or another state
 - DCSS documents showing the amount of support paid
 - Copies of checks or money orders made out to the custodial parent indicating that the payment is for support
 - Receipts and pay histories from any state's child support centralized payment processing center
- When the participant is not available, and a normal amount cannot be determined, attempt a collateral contact. Send a request for information when needed.
- When the court ordered amount or the amount received is different due to an additional recurring arrearage, budget the additional recurring support income as arrearages.
- Document the case notes with how the amount of support income budgeted was determined.

NOTE Budget support income over the court ordered amount only when the amount over is due to averaging. Any support income actually received for current support that is over the court ordered amount (not due to averaging) is countable as a gift.

When support income is received more often than monthly, determine an average monthly amount. Add the support payments received within each month together and divide by the number of months used in the income period. Include any zero months in the averaging determination when the zero months are expected to continue (See [Example Budgeting Support 5.](#))

Participants who receive support income on a regular basis may, at times, receive an extra support payment for reasons including any of the following:

- A change in issue dates.
- Weekends or holidays cause an interruption in issuing schedules.
- Payment was not received in the month for which it was intended. (See Example [Budgeting Support 2](#))

Count the support income in the month for which it is intended rather than the month in which it is made available.

NOTE When the support income received in the application month is for a full month, the amount is known. For initial applications, budget the known amount that is court ordered and is expected to be received for the application month. For ongoing months, use the last 30 days or more when necessary, to budget a true reflection of support income normally received on a monthly basis.

The participant or payment history may indicate that support income is sporadic and may include zero income months. When this occurs, and is expected to continue, add the support income amounts in the months that income was received along with the zero income months to calculate the average amount. (See Example [Budgeting Support 4](#)).

Recurring support arrearage payments are countable as unearned income and must be budgeted. When the arrearage payment is recurring and can be expected, budget the support income using the appropriate Unearned Income Code in the INC TYP field on UNIC. (See [Example Budgeting Support 6](#))

Follow the same budgeting procedures when the participant does not surrender support payments assigned to DCSS.

Budget support income passed through by DCSS, for children not included in the CA benefit, such as a family benefit cap (BC) child or a child receiving Supplemental Security Income (SSI). This income displays as BC RE, BC AR and BC LS on CHSP. Budget the support income for the child not included in the CA benefit.

For CA, when support income, received from any source, is assigned to and retained by DCSS, do not budget the support income during the following times:

- Beginning the month after the month CA is approved.
- While CA remains in open status.

When support income is received directly from a private collection agency, do not deduct fees retained by the collection agency. (See [Direct Pay](#))

Support Income.)

In AZTECS, complete the following:

- Key the actual income received using the MO frequency code when child support is not converted.
- Key the CS NS Unearned Income Code in the INC TYP field on UNIC when the participant does not surrender support payments assigned to DCSS.
- Key OF for child support income that is countable for NA only.

NOTE Key the OF code when budgeting child support income for Hopi Tribal TANF and Pascua Yaqui Tribal TANF.

- Key OX for child support income that is not countable for NA or CA.

A Direct Pay Support Income

REVISION 44

(10/01/16 - 11/30/16)

When court ordered support, income is received directly from a private source, it is considered Direct Pay Support Income. Private sources include but are not limited to the following:

- Private collection agency
- The absent parent or ex-spouse

NOTE When support income is received directly from a private collection agency, count the gross amount received. Do not deduct fees retained by the collection agency.

The following are Direct Pay Support Income Type Codes:

- DC RE: Direct Pay Child Support Received; Current
- DC AR: Direct Pay Child Support; Arrearage/Recurring
- DC LS: Direct Pay Child Support; Lump Sum/Nonrecurring
- DB RE: Direct Pay BC Child Support Received; Current
- DB AR: Direct Pay BC Child Support; Arrearage/Recurring
- DB LS: Direct Pay BC Child Support; Lump Sum/Nonrecurring
- DS RE: Direct Pay Spousal Maintenance Received; Current
- DS AR: Direct Pay Spousal Maintenance; Arrearage/Recurring

- DS LS: Direct Pay Spousal Maintenance; Lump Sum
- DM RE: Direct Pay Cash Medical Support Received; Current
- DM AR: Direct Pay Cash Medical Support; Arrearage/Recurring
- DM LS: Direct Pay Cash Medical Support; Lump Sum

Key the appropriate Unearned Income Code in the INC TYP field on UNIC. (See [Budgeting Child, Spousal and Cash Medical Support](#))

06 *Budgeting Unearned Income*

REVISION

49

(01/01/21 - 12/31/21)

The source of the unearned income determines whether the income is countable or not countable.

Consider all income available to the [budgetary unit\(g\)](#) when determining eligibility. (See [Unearned Income Overview](#)) and [Earned Income Overview](#).

NOTE Do not consider the income of a [nonparticipant\(g\)](#) available to the budgetary unit.

Special consideration to the income of a [participant\(g\)](#) whose needs are not included in the budgetary unit is outlined as follows and applies to earned and unearned income:

- [CA Special Consideration](#)
- [NA Special Consideration](#)

Verify and document all income in the [case file\(g\)](#). Documentation must explain discrepancies, support the income budgeted, and the eligibility and benefit level. (See [Providing Verification](#))

The following apply to budgeting unearned income:

- Key all unearned income received, even when the unearned income is not countable.
- When the gross income amount includes countable and not countable income, separate and key the income types individually.
- Budget the countable gross income before deductions for the following:
When the participant's income is being reduced for fraud or Intentional Program Violation (IPV)
When checks or cash are lost or stolen

NOTE When the lost or stolen items are replaced, do not count the replacement.
- AZTECS budgets the gross CA benefit for all programs when the CA payment is reduced for any of the following reasons:
CA sanction for noncompliance
Withholding TPEP payments
CA overpayments caused by the participant. This includes changes reported untimely, fraud, and [IPV](#). (See [Recoupment of CA Income](#))

EXCEPTION

When unearned income is reduced to collect an overpayment from the same [income source\(g\)](#), budget the net income which is the gross income minus the overpayment amount. Document the [case file\(g\)](#) to support why the net income was budgeted. (See Example [Budgeting Net Income Documentation](#)).

- When income of one or more participants and a nonparticipant are combined into one payment, identify and budget the participant's share of income.
- When the participant's share of income cannot be identified through the verification process, complete the following:
Divide the gross income equally between the number of individuals for whom the income is intended.
Key the resulting amount as the participant's share of income.
- Count income as received at the time it is made available to the participant.

EXCEPTION

Count income in the month for which it is intended rather than the month in which it is made available for reasons including, but not limited to, any of the following:

- An extra child, medical, or spousal support check is received due to a change in issue dates.
 - Income is paid directly to a financial institution and it is automatically deposited into the participant's account.
 - Income is held or delayed at the request of the participant, or the participant fails to obtain the income when it becomes available.
 - A change in pay dates or mailing cycles results in monthly or semi-monthly pay being received in another month.
- Key unearned income on UNIC using the unearned income code that applies to the [type of unearned income](#).

For unearned income retained by a participant for a nonparticipant, see [Third Party Beneficiary Payments](#).

See [Changes in Unearned Income](#) for policies and procedures.

07 **Changes in Unearned Income**

REVISION 48

(01/01/20 - 12/31/20)

During the [application process](#), the budgetary unit is required to report changes in unearned income.

After approval, the budgetary unit must report changes based on one of the following assigned reporting requirements:

- [Standard Reporting](#)
- [Simplified Reporting](#)

For NA, [income verification](#) must be requested when a change in income is reported on a renewal application, change report, or [data match](#) and any of the following apply:

- The source of the income has changed
- The income is questionable or unclear
- The reported income amount has changed by \$51 or more
- The previous verification in the case file is more than 59 days old