

B Expenses Exceed Income (EEI) – During the Approval Period

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

When the budgetary unit was determined eligible and their expenses exceed their income, set an alert on EWAL for the first [workday\(g\)](#) of the third month after approval.

When the alert is received, send the [C003 notice](#) to the PI requesting verification for [how expenses are being met](#).

The PI must return the C003 along with requested verification within ten calendar days.

NOTE When the PI contacts the local office and indicates that they are unable to provide the verification, assist the PI in obtaining acceptable verification.

Review the returned C003 for the following:

- [Returned mail](#)
- No change
- [Reported changes \(Standard Change Reporting\)](#)

EXCEPTION

Budgetary units assigned to [Simplified Reporting](#) are not required to verify EEI during the approval period. Verify EEI at the renewal interview.

When verification provided with the C003 indicates that the budgetary unit's UNPAID expenses continue to exceed their income, no action is required.

When ANY program is assigned to [Standard Reporting](#) and either of the following applies, stop ALL benefits using the VI Denial or Closure Reason Code. Allow for [NOAA](#):

- Verification provided with the C003 indicates the budgetary unit's PAID expenses continue to exceed the reported income.
- The participant fails or refuses to provide verification for how expenses are being met.