

.02 Procedure: Budgeting a Break in Employment



This section provides information about procedures for budgeting a break in employment.

Procedures

To be considered a [break in employment\(g\)](#), a participant is not scheduled to work for one [calendar month\(g\)](#) and receives no income from the same [income source\(g\)](#).

To budget income for a break in employment, **all** of the following information must be verified:

- The income for each [budget month\(g\)](#), including **all** of the following information:
 - The month the break of employment began
 - Reasonably anticipated ongoing income for the months after the break in employment ends
- The last date the participant worked before the break in employment.
- The date the participant received their last paycheck.
- The date the participant returns to work.
- The date of the first paycheck is received after returning to work.

When a budget month is less than a full month of income, the income received or expected by a participant is actual income, budget the actual income received for the budget month.

Use actual income when less than a full month of income is received. A budget month is less than a full month of income when **any** of the following occurs:

- The participant did not receive a paycheck for each pay date in the budget month.
- The participant received a paycheck for each pay date and at least one paycheck is less than what the participant typically would receive.

To budget income for a break in employment, complete **all** of the following:

- Do not budget income for any calendar month a participant receives no pay.
- Budget actual income using the AC Frequency Code when less than a full month is received for the budget month at the start or at the end of a break in employment.
- Include any paychecks already received in the budget month the break in employment ends and anticipate any checks that are going to be received for the month the participant returns to work. Complete **one** of the following:

Budget actual income when less than a full month of income is received or is anticipated to be received.

Procedure: Budgeting a Break in Employment

Convert income when a full month is received or is anticipated to be received.

- For ongoing months, ensure the case is in the [current system month\(g\)](#), and double-check that only anticipated income is correctly budgeted on the appropriate income screen.

NOTE When effecting a decrease or closure in benefits and NOAA has passed, see [Rolling Past Current System Month\(g\)](#).

Documentation must support determinations of eligibility and benefit level. Documenting in sufficient detail includes **all** of the following:

- Ensure that any reviewer can assess whether the determination is reasonable and accurate.
- Include specific information regarding the reason for how the income is budgeted.

(See [Income Documentation Requirements](#) for more information about documentation.)

When the participant is present, have them sign the Authority to Release (FAA-1765A) form to contact any companies or businesses involved. The FAA-1765A can be faxed or emailed to the participant's employer when it is not possible to use the Application for Benefits (FAA-0001A) or the HEAplus Authority to Release signed statement.

AZTECS Keying Procedures

Budgeting a break in employment has three parts, including **all** of the following:

- The month the break in employment begins.
- The month the participant returns to work and the break in employment ends.
- Any month in between for which the participant received no income.

Budget all the income received for any budget month, either at the beginning or the end of a break in employment.

Beginning of a Break in Employment

When a break in employment starts anytime during a calendar month, key **all** of the following on EAIC:

- The Income Type Code in the INC TYPE and the SUB TYP field as needed.
- The AC Frequency Code in the FREQ field, when less than a full month of income is received.

NOTE Convert income by keying the appropriate frequency code in the FREQ field when a full month of income is received before the break in employment begins.

- Each date income was received in the DATE PAID field.
- The work hours in the HOURS field.
- The [gross amount\(g\)](#) for each pay date in the GROSS AMOUNT field.

FAA4.H Income Eligibility Factor : 02 Income Budgeting : D Actual Income : .02

Procedure: Budgeting a Break in Employment

- Ensure to copy details into the next month and remove the income. Do not budget any income until the break in employment ends.

Ending of a Break in Employment

When a break in employment ends anytime during a calendar month, key **all** of the following on EAIC:

- The Income Type Code in the INC TYPE and the SUB TYP field as needed.
- The AC Frequency Code in the FREQ field, when less than a full month of income is received.

NOTE Convert income when a [full month of income\(g\)](#) is received before the break in employment begins.

- Each of the pay dates in the DATE PAID field.
- The work hours in the HOURS field.

Ensure the case is in the [current system month\(g\)](#), and double-check that only anticipated income is correctly converted for ongoing months.

[Prior Policy](#)

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