

06 ***Budgeting Child, Medical, and Spousal Support***

[Child, cash medical and spousal 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.

EXCEPTION

Do NOT key support income when the person court ordered to pay the support income and the person court ordered to receive the support income are in the same household.

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

When possible, discuss with the participant the court ordered amount of support and the amount they normally receive. All recurring arrearages received must be budgeted as support arrears.

WARNING

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 over as a [gift](#). The gift income is considered income of the parent, unless otherwise specified.

The Division of Child Support Services (DCSS) is Arizona's Title IV-D Child Support Enforcement agency. Support income issued through DCSS is based on court ordered support and thereby considered verified. When support payments are issued through the Division of Child Support Services (DCSS), review [CHSP](#) to view support income history. This support information is automatically sent by DCSS to CHSP in AZTECS after the first month of NA benefits are issued. 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 indicates a support arrearage payment that is RECURRING.
LS indicates a [Lump Sum](#) payment. Lump sum payments are NOT countable as income when received for prior months. Count such payments as a resource.

A discrepancy may occur between CHSP and the participant's statement or the participant's verification. When this occurs, elevate the case situation to the [Policy Support Team](#) (PST) via e-mail for resolution.

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

WARNING

CHSP screens can be printed for the [case file\(g\)](#) 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](#))

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

To budget support income, complete the following:

- When available, review the pay history or court order. The pay 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
 - Division of Child Support Services (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 available, discuss with the participant the court ordered amount and the monthly amount normally received. If the participant is not available attempt a collateral contact.
- When the court ordered amount or the amount received is different due to an additional recurring arrearage, budget the additional support income.
- Review additional months of support payment history when necessary to obtain an accurate true reflection of support income.
- When the participant or the payment history indicates that the same amount of support income is received on a regular basis, budget that amount next to the participant court ordered to receive the support.

WARNING

When support income is received more often than monthly, but the amounts vary, determine an average monthly amount by adding the support payments received within each month and dividing by the number of months reviewed (See Example [Budgeting Support 5](#)).

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.

Key the appropriate Unearned Income Code in the INC TYP field on UNIC when support income is received. 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

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/Nonrecurring
- 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/Nonrecurring

WARNING

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.

Budgetary units that 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](#))
- An extra weekly or bi-weekly payday.

WARNING

It is not necessary to average support income when the extra payment is due to an extra weekly or bi-weekly payday and will not continue. Budget the monthly amount of court ordered support that is normal to be received and is expected to continue.

When the participant indicates an amount they usually receive every month, complete the following:

- Review a copy of the court order or pay history when available.
- Have the participant write a statement when needed to clarify the monthly court ordered amount expected to be received.
- Budget a true reflection of the amount of support income the participant expects to receive. When the participant receives over the court ordered amount and there are no arrears, fees, or judgments owed, then the amount received over the court order is considered a gift. The gift is income of the parent, unless otherwise specified.

WARNING

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.

When necessary, because support income fluctuates, average the support income by completing the following:

- Review the support income received for the past 3 months or longer.
- Add the support income amounts together for each of the months being reviewed.
- Divide the total support income received by the number of prior calendar months reviewed. (See Example [Budgeting Support 5](#))

WARNING

RECURRING support arrearage payments are countable as unearned income and must be budgeted.

When the arrearage payment is recurring and can be anticipated, budget the support income using the appropriate Unearned Income Code in the INC TYP field on UNIC. (See Example [Budgeting Support 6](#))

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

Do not budget support income over the court ordered amount as support income unless the amount over is due to additional recurring arrearages added to the support order by DCSS. Any other monies received over the court ordered amount are countable as a [gift](#). Do not budget a lump sum arrearage payment. A lump sum payment is considered a one-time lump

sum and is not expected to continue.

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

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

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), displays as BC RE, BC AR and BC LS on CHSP. Budget the support income for the child not included in the CA benefit. Key the appropriate Unearned Income Code in the INC TYP field on UNIC.