

There is no 3rd-party, independent verification available for the amount of Ms. Doubtfire's tips. However, she does state that she receives tips, so income from the tips cannot be disregarded. The only way to verify the amount of tips is to accept her statement as to the amount.

There is no other source of verification available, so the Worker must accept her statement. The Worker must record that the employer confirmed that the tips shown on the pay stubs do not necessarily reflect the amount she actually receives, that this is the best information that can be provided to verify the situation and that the client's statement is accepted as verification.

B. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to income.

1. Earned Income

If new employment is not reported, without good cause, within 10 days of the date an AG member or disqualified person begins the employment, the earned income disregards and deductions are not applied to any month's income for which earnings were not reported. These same disregards and deductions are not applied to any earnings received during the time the employment is unreported. In addition, when new employment is not reported, as required by the PRC, the appropriate sanction is applied. See Chapter 13.

a. Earned Income Disregard

The gross earned income of all Income Group members is reduced by 40%. The remaining amount is the countable earned income.

b. Dependent Care Deduction

When the employed AG member or disqualified person must pay for dependent child or incapacitated adult care to accept or continue employment or training, a deduction from income must be allowed. There is not a maximum amount for this deduction. The dependent need not be receiving WV WORKS for the deduction to apply.

Income

Only payments made from the person's own funds are deductible. Clients with these expenses must be offered a referral to the Division of Children and Adult Services for help in meeting these expenses. However, there is no penalty for failure to accept these services.

2. Unearned Income

The only unearned income disregard or deduction is redirected child support of up to \$100 per month for families with 1 child and up to \$200 for families with more than 1 child eligible for TANF. This deduction does not apply until after the 100% Standard of Need test has been met.

Special consideration must be given to applicants as follows:

- If the client is receiving child support payments at the time of application, and the application is approved, it may not be possible or practical for him to redirect the support payment received during the effective month of approval.
- It is also possible that the child support, which has already been redirected to BCSE, has been released to the client. In these situations, up to \$100 per month for families with 1 child and up to \$200 for families with more than 1 child eligible for TANF is disregarded and the remainder is counted as income.

The client is not considered out of compliance with the redirection requirement if he fails to redirect when:

- The child support payment is received during the effective month of approval of the application. The Worker considers the non redirected child support payment in excess of \$100 or \$200 depending on the number of children eligible for TANF as income only in the month of application
- It is the initial child support payment that is received by a recipient. The overpayment is recovered through the BCSE repayment process and the child support payment is not counted as income.

All child support must be redirected, unless only a DCA payment is received.

NUMBER OF CHILDREN	MAXIMUM PASS-THROUGH
1	\$100
2 or more	\$200

EXAMPLE: A redirected child support payment is received by BCSE in April, for the April child support obligation. The current month for RAPIDS' CSI purposes is April. A CSI is automatically issued for April child support during the month of May. If the payment received in April included payment for January, February and/or March, CSI payments are automatically issued for those months also.

All supplemental CSI payments require written approval from the RAPIDS Help Desk. The following information must be provided to the Help Desk in an e-mail message.

- Case number
- Case name
- The month in question
- A brief explanation of why the client should have received a CSI payment
- When N/A is displayed in the AP Seq Number on Screen IVFI which indicates a mismatched AP sequence number.

RAPIDS staff will evaluate the reported problem and advise the local office of any required action. No approval will be granted unless this process is used. In addition, RAPIDS consults with BCSE State Office staff to correct AP sequence number mismatches. Supplemental CSI benefits are deposited in the EBT account.

EXCEPTION: The Worker may issue a supplemental CSI payment without prior approval only when the case number is written to MOBIUS Report WRBI271A, CSI Payments Not Issued Report. Auxiliary Reason Code 921 is used.

Adverse action notice requirements do not apply when a CSI will not be paid. However, they do apply when receipt of the CSI affects another benefit.

When a WV WORKS case is closed, and child support is received by BCSE in the effective month of closure, a CSI is issued in the month after closure for the child support received in the effective month of closure.

EXAMPLE: A WV WORKS AG is closed effective August for excessive earned income. The last month of receipt of a WV WORKS benefit is August, and child support is received by BCSE in August. A \$25 CSI is issued in September for August.

When received ineligibly, the CSI is subject to repayment. See Section 20.3. Received ineligibly includes, but is not limited to, BCSE crediting a payment to the wrong case, or the client failed to report income and received a WV WORKS benefit ineligibly.

3. Child Support Excess **Payment** (MR)

When the absent parent has no remaining state debt from previous TANF receipt and makes a payment to BCSE that is in excess of the current WV WORKS payment, any amount which exceeds the benefit is distributed to the custodial parent by BCSE. This payment is coded as MR on screen IVFI in RAPIDS. The Worker receives an alert that a payment has been sent to client. The Worker **must code the excess payment as unearned income, then determine if the new countable income exceeds the WV WORKS benefit amount per Section 10.24,C,5. When the countable income exceeds the WV WORKS benefit amount, then the Worker must close the WV WORKS benefit.**

NOTE: The child support excess payment does not have to be reasonably anticipated to continue in order to be considered as unearned income.

4. Determining Eligibility - 100% Of Need Test

The AG is ineligible in any month that its non-excluded monthly gross income exceeds 100% of the Standard of Need. The test is applied as follows:

Step 1: Add together the total non-excluded gross earned income, the gross profit from self-employment and the non-excluded gross unearned income of the AG and any disqualified person(s).

NOTE: The pass-through amount is not deducted at this point of the calculation.

Step 2: Determine the 100% of Need amount in Appendix A of this Chapter for the appropriate AG size, excluding the disqualified person(s).

Step 3: If the amount in Step 1 is greater than the amount in Step 2, the AG is ineligible.

Step 4: If the amount in Step 1 is equal to or less than the amount in Step 2, the AG is eligible for further determinations.

5. Determining Countable Income

Once the 100% of Need test is met, the following steps are taken.

- Step 1: Add together the non-excluded gross earned income of the AG and any disqualified person(s).
- Step 2: Subtract the Earned Income Disregard, i.e., 40% of earnings.
- Step 3: Subtract the Dependent Care Deduction for each person who pays dependent care.

This resulting amount is the Total Countable Earned Income.

- Step 4: Total all child support collected by BCSE.
- Step 5: Subtract the child support pass-through amount from Step 4, up to \$100 or \$200 for children eligible for TANF.
- Step 6: Add all other non-excluded unearned income of the AG and any disqualified person(s). The resulting amount is the countable unearned income.
- Step 7: Add together the total countable earned income and unearned income. The resulting amount is the total monthly countable income.
- Step 8: Determine the maximum WV WORKS benefit amount for the AG size, using Appendix A.
- Step 9: If the amount arrived at in Step 7 equals or exceeds the amount in Step 8, the AG is ineligible. If the amount arrived at in Step 7 is less than the amount in Step 8, the AG is income eligible and the amount from Step 7 is subtracted from the amount in Step 8.
- Step 10: If a sanction is applicable, multiply the Step 9 amount by .3333 (1/3) or .6666 (2/3) and drop any cents, or use Appendix F. Subtract this amount from the Step 9 amount.
- Step 11: Subtract any repayment amount from the amount remaining. The result is the WV WORKS benefit amount.

D. SPECIAL SITUATIONS**1. Categorical Eligibility**

SNAP Categorical Eligibility has no bearing on the WV WORKS check or how the check is issued.

2. Expedited Service

The SNAP requirement of Expedited Service has no bearing on the WV WORKS check or how the check is issued.

3. Destitute AG's

The SNAP requirement of Destitute AG's has no bearing on the WV WORKS check or how the check is issued.